

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

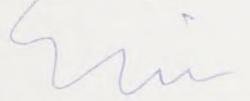
September 12, 1983

Mr. Jim Spilman
The Colonial Newsletter Foundation, Inc.
P. O. Box 4411
Huntsville, AL 35802

Dear Jim:

Please send me the draft of Trudgen's paper and the corrections and additions. I assume this will include the bibliography. I hope I can add something.

Sincerely,



Eric P. Newman

jah

P.S. I assume you mean Virginia - not Vermont in the last paragraph of your letter.

EPN

TO

Eric P. Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

FROM

James C. Spilman

The Colonial Newsletter Foundation, Inc.
P. O. BOX 4411
HUNTSVILLE, ALABAMA 35802

Photograph of Thomas Machin's house on Orange Lake

9-5-83

SUBJECT:

DATE:

FOLD

Dear Eric:

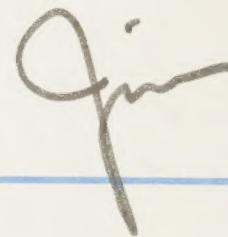
I would very much appreciate the loan of your photograph for use with Gary Trudgen's paper "Thomas Machin - Patriot".

If you wish I will be happy to send you a draft copy of Trudgen's paper. At present it is about twenty pages long with some five or ten additional pages of corrections and additions that I am working into the body of the text. Or - I could send a copy of the Bibliography to you - this is not a numismatic paper but rather a biographical sketch that, it appears to me, has been very carefully researched.

Another question - do you know whether Gasper has studied any master hubs that may be located in the Royal Mint? Also, you might advise him that I believe his Vermont Matrix or Die (Hocking 2835) Plate 31 in ANS Museum Notes No.27 is a DIE. The reason being that it has that lathe turned edge and could not withstand the stress during use as a matrix, but would develop a radial split on the face. To be used as a matrix it would require that the turning be cut about 1/4 inch further and a heavy steel band shrunk fit over it. At least, this is the way J.P.Droz constructed his matrices and master hubs.

Best regards,

JCS



PLEASE REPLY TO →

SIGNED

REPLY

DATE:

SIGNED

GRAYARC CO., INC., BROOKLYN, N.Y. 11232

THIS COPY FOR PERSON ADDRESSED

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

September 30, 1985

Mr. James C. Spilman
P. O. Box 4411
Huntsville, AL 35802

Dear Jim:

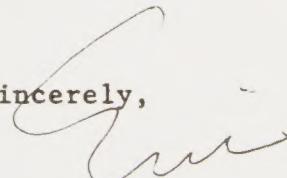
101
TN 181 describes the reappearance of the 1785 imitation British half pence described as Betts #4. Betts stated in his publication that these pieces came from the Yale University collection. This was in the Yale collection the last time I checked up. It is, therefore, confusing to me as to why the statement is made about reappearance.

I believe that it is time for the 1785 pieces to be studied and described. I mentioned these pieces in my article on English and Bungtown half pence in 1976. I have in my collection three different varieties consisting of 3 obverse dies and two reverse dies. Other people no doubt have some of these also. None of mine have the die break which is mentioned, but which is on the reverse rather than the obverse.

Your suggestion that more work be done on this situation is a good one. I believe the 1784 should be included in the study also.

My kindest personal regards.

Sincerely,



Eric P. Newman

jah

My obverse³
matches this obverse
No reverse of mine
is the same as this
reverse

THE COLONIAL NEWSLETTER FOUNDATION

Huntsville, Alabama P.O. Box 4411
35802

October 7, 1985

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, MO 63105

Dear Eric:

The BETTS 4 REAPPEARS statement was based on my understanding that at least two attempts had been made during recent years (1960 to 1975 era) to locate that particular specimen in the Yale collection, but that it could not be located! Hence, the "unknown today" statement that appeared in the Annotated Betts.

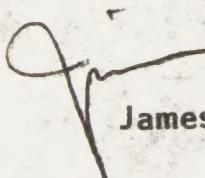
I am assuming that your examination of the specimen was later than 1975 and that today it is indeed where it should be. Could you please tell me whom I might contact at Yale to obtain photographs?

Gary Trudgen has also written that he too has a specimen of the obverse paired with a different reverse. You and he might want to compare notes and/or photographs.

Returning to the BETTS 4 specimens (with reverse die break), we have the Yale specimen and the Trudgen/Ringo specimen. Do you know of others or are there just the two listed above?

Many thanks for getting me squared away on this situation.

Best regards,
THE COLONIAL NEWSLETTER



James C. Spilman

THE COLONIAL NEWSLETTER FOUNDATION

P.O.Box 4411
Huntsville, Alabama 35802

October 7, 1985

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, MO 63105

Dear Eric:

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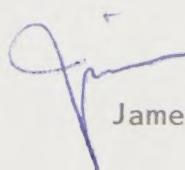
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Best regards,
THE COLONIAL NEWSLETTER



James C. Spilman

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

10/10/85

James Spilman -
Colonial Newsletter Foundation

Dear Jim:

My contact with the Yale Collection was long before 1975. My friend, Tom Schmeich, now in St. Louis as a practicing attorney, advises me that the Yale Curator works there 2 days per week. His name is John P. Burnham; 395 Main St., Old Saybrook, Conn 06475 is his residence; he works for Coin Galleries (Stack's) in New York 2 days per week; and he has been working for Yale for about 10 years. I am told there was a burglary or robbery at Yale about 20 years ago and that American coins were taken. Thus whether the 1785 British 1/2d counterfeit once in the collection is there now is a matter to be investigated. Perhaps the one now appearing or discovered recently is the Yale piece. I know of no other 1785 piece with a die break on the reverse. It would be important to find out if the same die is owned by anyone without a die break on the piece.

The real problem should be - are these 1785 1/2d of American origin or ordered for American use. They always seem to turn up in America, not in Britain. Whenever Batty didn't have an item it could well be that its source was elsewhere as in the case of Maclin pieces where Batty only had a specimen or so.

My kindest personal regards,

Eric

818 N. Cascade
Colorado Springs, Co. 80917
October 14, 1986

Eric P. Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Eric,

Earlier this year Ken Gressett shared with me three 1785 George III halfpence that you had sent to him for photos. In your letter which accompanied these pieces you questioned their origin -- English or American Colonial.

While working on some Mackin's Mills material at home last night I made an interesting discovery. In a printed copy of an address given in 1886 by C. Wyllis Betts before the American Numismatic and Archaeological Society is a drawing of what appears to be a halfpence struck from the same dies as identified from photos of your 1785 halfpence. Betts piece is simply identified as "No. 4. - Counterfeit Half Penny."

Your matching obverse is F1737P and matching reverse is F1739P. Photo F1737P was also assigned the designation "3-B" while photo F1739P was assigned "1-A." Using these designations combination 3-A would equate to Betts 4.

I do not recall if you had placed the designations "1-A," "2-B" and "3-B" to your coins signifying the three obverses and two ^{reverses} ~~obverses~~ or if I had done that at a later date.

At any rate I hope the rediscovery of the Betts 4 piece is of some help to you.

Sincerely,
Mary Seward

P.S. The hairstyle is slightly different on the two Britannias. I can't explain that.

1785 Counterfeit British style halfpence (Obverse 50).	1785 Counterfeit British style halfpence (Obverse 51).	Counterfeit Irish style long hair obverse.
--------------------------------------------------------------------	--------------------------------------------------------------------	-----------------------------------------------------

R punch not
broken. Full
serifs & full
left upright.

R punch broken.
On left upright
right serif is
missing & base
is defective.

R punch broken.
On left upright
right serif is
missing & base
is defective.

7.12.84

Dear Eric,

I hope you will recall that the last time we talked, after your Numismatist article connecting the linked rings design to Benjamin Franklin, I told I had seen a book in a bookstore with early references to the design.

You will be happy to know that I located the volume for you to examine:

George Washington's China Ware

by Susan Gray Detweiler
pub. Harry Abrams, 1982

ISBN 0-8109-1779-3

Please check it out and let me know what you think about the references.
Best Wishes - In haste

David P. McBride

P.O. Box 643
Frisco, CO
80443

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

August 8, 1984

Mr. David P. McBride
P. O. Box 643
Frisco, CO 80443

Dear David:

Thank you for your July 12, 1984 suggestion that I check the book on George Washington's chinaware. I located the book in our Art Museum and was very interested in the porcelain set in the 15 link design which was given by Bramm to Martha Washington. This, no doubt, is a matter which you went into in writing your article on the link design.

Since the motif is based on the Continental currency, and nothing is indicated prior thereto, I believe this reinforces the data which has already been developed. It is a fine reference to have in my file. I hope you are lucky enough to find a piece of Martha Washington's service for your dining pleasure.

Cordially,

Eric P. Newman

jah

8-9-84
Give copy to DE
for Aaron

ERNEST J. MONTGOMERY, M. D.
1216 MINNESOTA AVE.
NATRONA HEIGHTS, PENNSYLVANIA 15065
—
TELEPHONE 412 - 226-1119

22 January 85

Dear Mr. Newman —

I have for some time been acquiring and researching the Brugtoon tokens and shall appreciate any help, suggestions etc that you might extend to me.

Cordially,
EJM

SASE enclosed.

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

2/4/85

Dr. Ernest J Montgomery
1216 Minnesota Ave
Natrona Heights, Penna 15065

Dear Dr. Montgomery:

In answer to your inquiry about Bungtown tokens I presume you have read or are familiar with my article entitled:
"American Circulation of English and Bungtown Halfpence"
published in Studies on Money in Early America, American
Numismatic Society, New York 1976 (still available)

You also are using the Atkins' list, I presume.

If you have studied my article and have further questions please advise me.

Good luck and enjoyment in your collecting
and studying these coppers.

Sincerely,

Eric P. Newman

Irish Brockage obv obverse only

Irish Broads

Enlargement of letter R

1785 50-85 A

Engagement of letter R ~~in D~~

~~in Georgivs~~ in GEORGIVS

1785 57-85B

Engagement letter R

in ~~REX~~ GEORGIVS.

Ernest Hemingway

9 coins

THE AMERICAN NUMISMATIC SOCIETY

BROADWAY AT 155TH ST

NEW YORK N.Y. 10032

1785 CTY Engl 1/2d

found after publication

New combinations



To : James C. Spilman
Philip L. Mossman

Feb 2, 1987

The reading of the Mossman opus has revived my enthusiasm for the circulation of coppers in early America and thus I am writing up a phase which I do not believe has been sufficiently commented upon by anyone; I would like to hear from you or anyone else as to my comments as they are in preliminary form. You asked for input to add to the Mossman matter and this is my way of making a beginning.

While the October 16, 1786 Ordinance of the Continental Congress for the Establishment of a Mint by the United States is known as a historical step, it is not considered of substantial importance because virtually nothing resulted from it. However there is included in it several important items concerning the circulation of copper coins at that time. A copy of the Ordinance is attached.

In the April 8, 1786 report of the Board of Treasury to the Continental Congress on the establishment of a Mint there is a statement that copper coinage is "an object which becomes daily of more consequence, not only from the Foreign importation of base Copper Coin; but from private Contracts made in some of the States for striking Copper, the Specimens of which are extremely base and ill executed." (Signed by Samuel Osgood and Walter Livingston; Papers of the Continental Congress, No. 139, folio 131). It is also pointed out that based upon the new standard for the U.S. dollar being of a value of 4 sh 6 d sterling the weight of copper in 100 of the new cents to be minted should be $2 \frac{1}{4}$ pounds. This would make the new U.S. cent 8% heavier than the English halfpence and maintain about the same ratio between circulating value and intrinsic copper value as the English halfpence had.

The October 16, 1786 Ordinance was based primarily upon the reports submitted to the Continental Congress and contained a national position on the problems concerning and the regulation of copper coins of all types circulating in the United States. The last three paragraphs of the Ordinance are evidence of the recognition of an almost insoluble small change problem facing the people of the United States.

In the third to last paragraph it is Ordained that forthwith no other coppers except those struck at the United States Mint should be used for taxes or payments to the United States. There were no such U.S. copper coins in existence and thus no small change payments to the United States could be legally made in copper coin. It would therefore be necessary to round off payments to the nearest $6 \frac{1}{4}$ cents which was the circulating value of the ^{smallest} Spanish-American silver coin, the medio-real. ~~A copper coin~~ housed for a ~~part~~ of the payment until the U.S. cents and halfcents were produced.

In the second to last paragraph it is stated as a fact that not only were great quantities of base copper coins being daily imported into the United States in 1786 (and this would include both genuine and counterfeit British and Irish halfpence); but also that great quantities of base copper coin were being

2

manufactured in some of the United States, this was a national recognition that franchise coiners in Vermont, Connecticut and New Jersey were producing base coinage due to the low and highly variable weight of the pieces. Machin's Mills had not commenced operation by then and no other ~~American~~ copper coin counterfeiter is known to have been then operating in America. It was nationally recognized that the coppers in circulation were highly injurious to the American people and to American commerce, thereby requiring regulation under the powers of the national government under the Articles of Confederation.

In the last paragraph of the Ordinance of October 16, 1786 the circulation of all British and Irish halfpence (genuine and counterfeit) ~~is prohibited~~ and all other foreign copper coins ^{beginning} was prohibited throughout the United States less than 11 months later, namely by September 1, 1787.

The last paragraph then included an immediate prohibition of the circulation of state franchised copper coin at a greater value than $2\frac{1}{4}$ pounds avoirdupois (157.5 grains per coin average) for the Federal dollar. This could have created, if taken seriously, the most impractical situation that the Continental Congress could have selected in its frustration about coinage.

Vermont's minimum coinage weight began with a 160 grain copper coin on June 15, 1785 but because it was "found to exceed in weight the copper coin used in the United States of America" the minimum was lowered to 111 grains of copper per coin on October 27, 1785, the actual Vermont coinage varied substantially from these standards.

Connecticut copper coinage was on October 20, 1785 set at a minimum weight of 144 grains and varied substantially from that standard.

New Jersey copper coinage was on June 1, 1786 set at a minimum weight of 150 grains and varied substantially from that standard.

It was therefore obvious that to comply with the national regulation one would have had to ~~have~~ weigh the copper coins for every small change transaction as no state franchised copper coinage except the few early Vermont pieces was even required to reach the $157\frac{1}{2}$ grain average ~~set~~ by the national government regulation. No small transaction could be legally completed by count and the customer would always lose if weight were the basis for the determination because the customer would have to round out a fraction for the benefit of the seller.

3.

The payments above referred to are payments under the decimal ~~system~~ (in cents) and ignore the fact that in small transaction then cents were not used in prices. Shillings and pence were used for prices and these varied in accordance with the money of account systems used in different parts of the country. Imagine

paying for a small purchase in money of account shillings and pence using state franchised copper coin and trying to comply with the law. You would need both a conversion table and a scale to try to ~~conform to~~ the regulation.

The $2\frac{1}{4}$ pounds of copper which were to be the minimum weight of coin to pass for \$1 amounted to 15,750 grains. Converting this weight into money the principal money of account systems the results are as follows:

In New-England, etc. - 2,625 grains of copper coin per shilling.
 In Pennsylvania, etc. - 2,100 grains of copper coin per shilling.
 In New-York - 1,969 grains of copper coin per shilling.

<u>Average Weight of Copper Coin in grains</u>	Number of Copper Coins permitted to pass for 1 shilling in			Number of copper coins permitted to pass for 1 cent value.
	N. E.	P. A.	N. Y.	
110	23.9	19.1	17.9	1.43
111 (later Vermont)	23.6	18.9	17.7	1.42
115	22.8	18.3	17.1	1.37
120	21.9	17.5	16.4	1.31
125	21.0	16.8	15.8	1.26
130	20.2	16.2	15.1	1.21
135	19.4	15.6	14.6	1.17
140	18.8	15.0	14.1	1.13
144 (Conn)	18.2	14.6	13.7	1.09
145	18.1	14.5	13.6	1.09
146 *	18.0	14.4	13.5	1.08
150 (N.J.)	17.5	14.0	13.1	1.05
155	16.9	13.6	12.7	1.02
157.5 **	16.7	13.3	12.5	1.00
160 (early Vermont)	16.4	13.1	12.3	.98

* Minimum weight standard passed by New York on April 21, 1787 for all circulating copper coins.

** Standard weight for Fugio Cent coinage approved April 21, 1787 in conformity with October 16, 1786 Continental Congress Ordinance.

It is also of particular coincidence that on October 16, 1786, the date of the approval of the Ordinance, that James Jarvis sent to his political ally a draft of a contract for United States coinage. It was apparently thought that with the strong political influence Duer had he could promptly obtain the national coinage franchise Jarvis sought. Actually Jarvis was only able to obtain such a contract by May 12, 1787 providing for the first delivery of cents by December 1, 1787, a date which Jarvis failed to meet by about one year. Thus United States or Fugio Cent coinage did not affect the problems as to copper coin circulation during 1786, 1787 and most of 1788.

It is of little wonder that the October 16, 1786 Ordinance provisions as to circulation of copper coin became a non-event, not only because the United States Constitution written during the following year removed the right of the States to coin money, but because compliance with the Ordinance by the public was impossible of performance.

The importance of the Ordinance, however, is that it reflected from a national point of view the quagmire in which Americans struggled by using the only copper coins available to them for the use of small change.

Eric P. Newman

Please comment
extensively.

Part 16

1786

AN ORDINANCE for the ESTABLISHMENT of the MINT of the UNITED STATES of AMERICA ; and for REGULATING the VALUE and ALLOY of COIN.

IT IS HEREBY ORDAINED by the United States in Congress assembled, that a mint be established for the coinage of gold, silver and copper money, agreeably to the resolves of Congress of the 8th August last, under the direction of the following officers, viz.

An Assay Master, whose duty it shall be to receive gold and silver in bullion, or foreign coin, to assay the same, and to give his certificates for the value thereof at the following rates:

For every pound troy weight of uncoined gold or foreign gold coin, eleven parts fine and one part alloy, two hundred and nine dollars, seven dimes and seven cents, money of the United States, established by the resolves of Congress of the 8th of August last, and so in proportion to the fine gold contained in any coined or uncoined gold whatsoever.

For every pound troy weight of uncoined silver, or foreign silver coin, eleven parts fine and one part alloy, thirteen dollars, seven dimes, seven cents and seven mills, money of the United States, established as aforesaid; and so in proportion to the fine silver contained in any coined or uncoined silver whatsoever.

A Master Coiner, whose duty it shall be to receive from time to time of the assay master, the bullion necessary for coinage; to report to Congress devices and proofs of the proposed pieces of coin, and to procure proper workmen to execute the business of coinage, reporting from time to time to the commissioners of the board of treasury of the United States for approbation, and allowance, the occupation, number and pay of the persons so employed.

A Paymaster, who shall be the treasurer of the United States for the time being, whose duty it shall be to receive and take charge of the coin made under the direction of the master coiner, and to receipt for the same; to receive and duly enter the certificates for uncoined gold or silver issued by the assay master, and to pay ninety-five hundredths of the amount thereof in gold or silver and five hundredths in the copper coin of the United States.

And it is hereby further ordained, That the certificates to be given by the assay master, to persons who shall lodge gold or silver in the mint for coinage, shall be on fine bank paper, and expressed in the manner and form following, *to wit,*

Mint of the United States,

I ACKNOWLEDGE to have received of A. B. for coinage (here insert the weight) of (insert the species) bullion, for the amount of which, pay to _____ or bearer, the sum of _____ at ten days sight, agreeably to the custom of the mint.

C. D. Assay Master.

To E. F. Pay-Master of the Mint of the
United States of America }

And it is hereby further ordained, That the officers above mentioned, shall settle their accounts monthly, agreeably to such forms and vouchers as shall be prescribed by the comptroller of the treasury.

And it is hereby further ordained, That the officers shall enter into bonds to the United States in Congress assembled, for the faithful execution of the trust respectively reposed in them, in the manner and amount following, *to wit,*

The assay master, in the sum of ten thousand dollars, and two sureties, each in the sum of five thousand dollars.

The master coiner in the sum of ten thousand dollars, and two sureties each in the sum of five thousand dollars.

And that the officers mentioned in this ordinance, as well as every other person employed in the mint, shall take and subscribe the oath of office, established by the resolve of the 14th March, 1786.

And it is hereby further ordained, That it shall be the duty of the comptroller of the treasury to report monthly to the commissioners of the treasury of the United States, a statement of the mint accounts adjusted agreeably to the usual forms; and if or such statement or other information it shall appear, that there has been any neglect, mismanagement or abuse of trust, in any of the officers mentioned in the within ordinance, it shall be the duty of the commissioners of the board of treasury to suspend such officer or officers, and to report thereon specially to Congress.

And it is hereby further ordained, That the copper coin struck under the authority of the United States in Congress assembled, shall be receivable in all taxes, or payments due to the United States, in the proportion of five dollars for every hundred dollars so paid; but that no other copper coin whatsoever, shall be receivable in any taxes or payments whatsoever to the United States.

And whereas, The great quantities of base copper coin daily imported into, or manufactured within the several states, is become so highly injurious to the interest and commerce of the same, as to require the immediate interposition of the powers vested by the confederation in the United States in Congress assembled of regulating the value of copper, the coin so current as aforesaid.

It is hereby ordained, That no foreign copper coin whatsoever, shall after the first day of September 1787, be current within the United States: And that no copper coin struck under the authority of a particular state, shall pass at a greater value than one federal dollar for two pounds and one quarter of a pound avoirdupois weight of such copper coin.

DONE by the United States in Congress assembled, this sixteenth day of October, in the year of our Lord one thousand seven hundred and eighty six, and of our sovereignty and independence the eleventh.

Charles Thomson

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

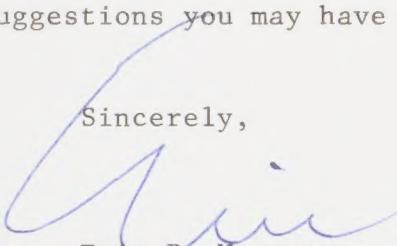
August 18, 1987

Dr. Peter P. Gaspar
43 Hillvale
St. Louis, MO 63105

Dear Peter:

Enclosed is my existing draft of an article on the 1785 counterfeit British halfpence. The footnotes and acknowledgements are not yet included. I would be very interested in any suggestions you may have for improving the article. Many thanks.

Sincerely,


Eric P. Newman

jah

Encl.

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

September 24, 1987

Mr. Leslie A. Elam
American Numismatic Society
Broadway at 155th Street
New York, NY 10032

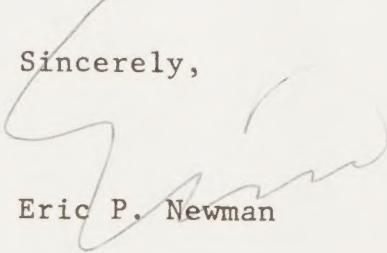
Dear Les:

Enclosed is the text of an article about the 1785 counterfeit British Halfpence. You asked to include it in the coming issue of Musuem Notes and I am submitting it accordingly. Please read and discuss it with me before I leave for Africa on October 17, 1987.

Please feel free to make suggestions as to its content. The title is rather unusual. Some tables have to be broken out to put into appendices. Pictures of some coins and enlargements of portions of coins will have to be taken and I am bringing those coins to you for that purpose. I wish the pictures could accompany the text instead of being at the end of the book. Any changes from suggestions of others who are now reading the text will be minor.

How about a nice position in the Notes as I usually have brought up the rear.

Sincerely,


Eric P. Newman

jah

Encl.

CABLE ADDRESS
"NUMISMA" NEW YORK

TELEPHONE
(212) 234 - 3130



THE AMERICAN NUMISMATIC SOCIETY
(FOUNDED 1858 • INCORPORATED 1865)
BROADWAY AT 155TH STREET
NEW YORK N.Y. 10032

October 6, 1987

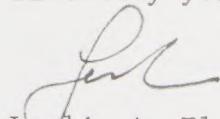
Mr. Eric P. Newman
Edison Brothers Stores, Inc.
Post Office Box 14020
St. Louis, Missouri 63178

Dear Eric,

Enclosed are the prints and enlargements which you ordered for the ANSMN article. I am not happy with the enlargements made from negative 87600 and 87601. The former is soft and slightly out of focus, the latter is shot with incorrect lighting.

I would suggest one of two alternatives; either let us have the coins in question on your way through here on the 17th or identify the negatives of the actual size prints and we shall try to pull an enlargement from that image. The first alternative is to be preferred.

Sincerely yours,



Leslie A. Elam
Director

LAE:lw

THE AMERICAN NUMISMATIC SOCIETY
(FOUNDED 1858 - INCORPORATED 1865)
BROADWAY AT 156TH ST
NEW YORK N.Y. 10032
(212) 234-3130

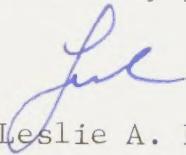
December 29, 1987

Mr. Eric P. Newman
Edison Brothers Stores, Inc.
Post Office Box 14020
St. Louis, Missouri 63178

Dear Eric,

Please excuse the error in citing
Evelyn's name in my letter to you of
earlier today.

Sincerely yours,


Leslie A. Elam
Director

LAE:lw

CABLE ADDRESS
"NUMISMA" NEW YORK

TELEPHONE
(212) 234 - 3130



THE AMERICAN NUMISMATIC SOCIETY
(FOUNDED 1858 • INCORPORATED 1865)
BROADWAY AT 155TH STREET
NEW YORK N.Y. 10032

December 29, 1987

Mr. Eric P. Newman
Edison Brothers Stores, Inc.
Post Office Box 14020
St. Louis, Missouri 63178

Dear Eric,

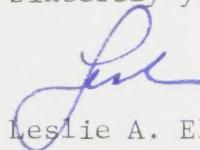
Many, many thanks to you and Eleanor for the contribution of \$12,000 continuing the support of the Graduate Seminar Fellowships.

I am unable to locate the specific reference to the Jess Peters sale coin in your article. I am enclosing the title page as directed and the two pages where it seems the Peters reference ought to be. Perhaps you can help me a little with this.

A note enclosed in your letter indicated that you were sending the toy on to Judi but we have not received it. I hope it has not gone astray.

Best wishes from all of us for the coming year.

Sincerely yours,


Leslie A. Elam
Director

LAE:lw
Encl.

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THE AMERICAN NUMISMATIC SOCIETY
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NEW YORK N.Y. 10032

January 21, 1988

Mr. Eric P. Newman
Edison Brothers Stores, Inc.
Post Office Box 14020
St. Louis, Missouri 63178

Dear Eric,

I am still not quite sure how to sort out the illustrations for your 1785 article.

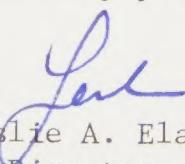
First, please identify the 51-85B variety to go with the ones that you have already identified.

Second, please identify the two enlarged R's (51, Irish). Do I understand that the enlarged R on the print displaying the full name Georgivs comes from the flipped photograph marked Neg. 87608? Once you identify this, I shall have it made to the proper size to match the other three.

Is it your intention, for the display of the enlarged R's, that you should display the Irish obverse as you have it in the diagram?

Please return everything to me with your kind counsel.

Sincerely yours,


Leslie A. Elam
Director

LAE:lw
Encl.

1/28/88

Leslie Elam

Re: 1785 1/2d article.

There is good reason for your confusion as mentioned in your 1/21/88 letter. Variety 51-85B is not photographed on one negative because I had to get the obverse from one coin and the reverse from another. Obverse 51 is on negative # 87612 and Reverse 85B is on negative # 87608. They are identified on the back of the positives.

The flopped print (mirror image) of the Irish brockage is negative # 87612 and as you state it should be cropped to include only the R and part of the letter on each side and then conformed in size to what you use for the proper size of the other enlarged R prints. There is no enlargement in the group you sent of the R on obv. 51 so you probably still have one on your negatives or positives.

Another problem I note is that negative numbered 87602 is marked on two different positive prints. Isnt this a mix up of some kind?

I have added some text to the layout for the 1785 comparison of R in GEORGIVS.

I have put the normal sized mirror image Irish obverse on the plate above the enlarged R's, but if you believe it should be below I have no objection. I dont want it on the plate with the die varieties of the 1785 counterfeits or the 1781 counterfeits as that would be confusing I believe.

A separate letter will be written on the text changes. Thanks. Layouts & pictures enclosed.

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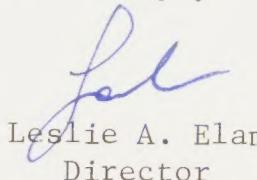
January 27, 1988

Mr. Eric P. Newman
Edison Brothers Stores, Inc.
Post Office Box 14020
St. Louis, MO 63178

Dear Eric,

Enclosed is the copy of your edited manuscript. Meanwhile, I await the pictures and your instructions.

Sincerely yours,



A handwritten signature in blue ink, appearing to read "Leslie A. Elam".

Leslie A. Elam
Director

LAE:lw
Encl.

THE AMERICAN NUMISMATIC SOCIETY
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BROADWAY AT 155TH STREET
NEW YORK N.Y. 10032
(212) 234-3130

September 2, 1988

Mr. Eric P. Newman
501 North Broadway
St. Louis MO 63108

Dear Eric,

Enclosed are the galley proofs for your article on spurious ha'pennies. Well, they are not spurious any more, so are they migrant ha'-pennies? Does this lead us to a subtitle of "Indigent Immigrants?" O.K., I enjoyed it. Please proof the article and send it back with the copyright transfer form and an abstract for NumLit. As usual you will receive 25 off-prints. If you want more please include a check for \$.40 each up to a maximum of 65 additional.

The horrible summer heat seems to be finally breaking up here. At some point, however, the NYTimes pointed out that the dew point in the Amazon Valley is 80%, and that NY City had been enjoying a dew point of 76%. So here's to warm days, cool nights, blue skies, and all that good stuff.

Sincerely,

Marie
Marie H. Martin
Associate Editor

Mike Ringe

1/3/87

Dear Mike:

There is a difference in the extent of the defects on the left base of R. in the 1785 counterfeits. Variety 51-85 has none. Variety 52-85 B has differences; and Variety 53-85 B has the same. After studying the 85 C piece from your pictures I will probably have to change the die order as it looks like 53-85 B came before 52-85 B, etc. I may change all designations beginning at 50 for obverses instead of 51.

Eric

9/3/87

Mike Ringo

I find that the Drush head on
1/2d coinage has long curly or
hair in 1775, 1776, 1781 & 1782.
The 1769 has a long bust but not
long hair, The 1768 has a short bust
and not long hair.

Thus your brokage is 1775,
1776, 1781 or 1782 type. Whether
it is counterfeit or genuine we
will determine but it must be
counterfeit with the R defect.

Check me on this logic.

Ginn

G.B.

1781

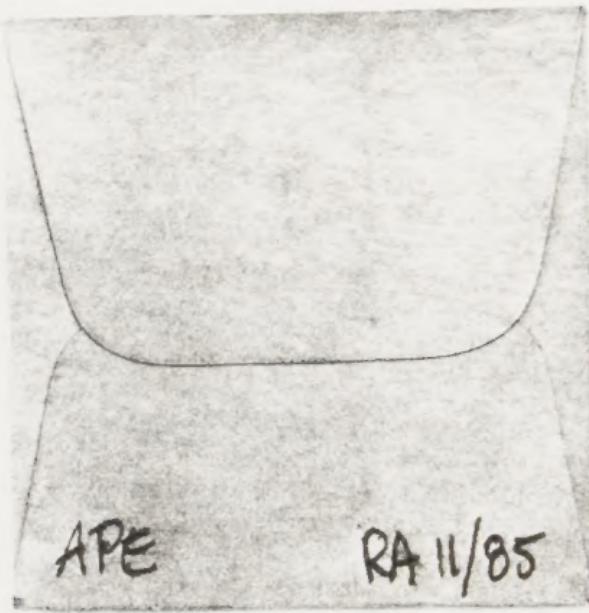
CIFERIT Yd.

F

44-81E

OBY,? N3
REV. N2

REV. 5



Mike Ringo

2/4/87

Enclosed are six 1781 of 1/4.
These are the ones loaned in Atlanta
with one exception which is my
duplicate of 41-81B which you do
not have. I exchanged your
you 44-81E (^{\$1m}
^{Obv? N3}
^{Rev? N2}) of which you
had two. The piece you are getting
from me is better than what I
am getting from you in condition,
I believe. Neither is very nice.

This exchange I mentioned over
the phone ad will help both of us.
If you ever sell or think of parting
with any of yours I would like
to grade up if they are available.

Hope this is OK

... Ervin

9/10/87

The Rings

Box 3010

Albany, N.Y. 12203

Dear Mike:

I thank you most sincerely for your input to my article on the 1785 matter. There was nothing which could have been more helpful than your finding the Irish obverse broken R and that will be specially attributed to you in the revision of the article now in process. That long hair type of obverse was used on Irish genuine coins dated 1775, 1776, 1781 ad 1782 and on Irish counterfeits dated in those years and 1783. I think your piece was made about 1785 and was to be used with any Irish or English reverse which was handy unless a new reverse was to be cut.

I am changing my 1785 variety numbering to begin with 50 for the obverses instead of 51. Reverse numbering remains.

I did not add 1794 from the Batty list because this is after all U.S significance.

The reference to TN 101, p.901 was a correct citation of your discovery as published in CNT.

I need both a nice picture of your Irish obverse and a blow up of the R. If you can't get one easily then we can send it to ANS for photography as the article will probably be published there.

I will send you a revision after incorporating many of Harry's and your suggestions, the footnotes, acknowledgements, etc.

Thanks again

Sincerely,



Mike Ringo
Box 3010
Albany, N.Y.
12203

Eric-

Thanks for sending the photocopies of your Mexico note - I'm sure he must be a relative somehow.

I'll check my genealogy when I can find it.

Thanks again - .

Mike

Colonial Coins, Tokens, and
Numismatic Literature Wanted

Box 3010
Albany, N.Y. 12203
Sept. 15, 1987

Eric Newman
6450 Cecil Ave.
St. Louis, Mo. 63105

Dear Eric,

Enclosed is the Irish breakage halfpenny. I don't have the facilities to get a blow-up on the R punch, so I'll let you take care of sending it to ANS for photos. Please register the piece for \$1000. Thanks.

I'll be sending some more photos soon of some pieces I have with similar letter punches, I haven't found any yet with the broken R, but I have a couple of Irish counterfeits with almost identical hair detail, center dot, and head punch, dated 1775.

Yours,
Mike

Postmarked 9/15/87
Recd 9/19/87

9-17-87

Epn says Ringo did
not receive letter &
asked if I remembered
mailing it. I believe
I typed envelope &
address card & I
guess it was mailed.
He said something about
certified - don't know but
don't think so. I remember
something sent cert. a
while back. Will have to
check files & see if them

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

September 28, 1987 (*mailed 9-29-87*)

#R 031 631 731

REGISTERED MAIL

\$4.25 - \$1000

Mr. Mike Ringo
883 Albany Street
Schenectady, NY 12307

.73
\$4.98

Dear Mike:

I have just returned from the ANS where I had your Irish brockage photographed, as well as the best 1781 counterfeits which you and I own, and some detail on the 1785 counterfeits. These will be used for the article which will be published in "Museum Notes".

I am returning herewith your Irish piece, plus six 1781 pieces. Due to the fact that I had a duplicate of a 1781 which you did not have, and you had a duplicate of a 1781 which I did not have, I exchanged these pieces, leaving each one of us with a fifth variety.

Naturally, I left the original owner with a better piece in each situation where there was a duplicate. I hope you find this exchange helpful.

Naturally if you ever determine to dispose of any of these pieces, or the 1785 pieces, I would be interested in knowing about it.

I am excited over your discovery that the 1783 Nova variety 1-A is made of the same punches as the 1783 Triumpho. I urge you to have that published in "Colonial Newsletter", or wherever you wish.

I am convinced the 1783 Nova dies were made in two groups since the first one is so different from the others. When they were struck is a guess, but they certainly were not distributed until the application to the New York legislature had been fully turned down.

I will talk to you about other matters in due course. Many thanks for your continued cooperation.

Sincerely,

Eric P. Newman

jah

Encls.

Box 3010
Albany, N.Y. 12203
Feb. 9, 1988

Dear Eric,

Enclosed are photos of the new 1785 variety. As I mentioned on the phone, I can't tell if the obverse is your #51 or not. The crossbar on the second "G", or the lack of one, could be a matter of striking or die state, I suppose. Also note the die chip in the obverse field below the III.

I'm looking forward to hearing your opinion on the piece. The weight is 145.8 grains, substantially heavier than the others. Will speak to you soon.

Yours,
Mike Ringo

86750

M. Ringo
Box 3010
Albany, NY 12203

Returned
in NYC
3/24/88
EWN

Customer's
Order No.

Date

3/8 1988

Name ERIC P. Newman

Address 6450 cecil Ave.

St. Louis, Mo. 63105

SOLD BY	CASH	C.O.D.	CHARGE	ON ACCT	MDSE RETD	PAID OUT	
				✓			

QUAN.	DESCRIPTION	PRICE	AMOUNT
	1837 HTT LOW-48A		3500 -

Eric-

I couldn't get
good photos of this, so
I'm sending the coin
instead.

Thanks for sending
the information on the
Constellatio Nova's.

Will talk to you soon-

Mike

ALL claims and returned goods MUST be accompanied by this bill.

Rec'd By

Box 3010
Albany, N.Y. 12203
April 26, 1988

Dear Eric,

I'll be in St. Louis for the show May 11th through the 15th (Wednesday to Sunday). I'd like to get together with you and take a look at your counterfeit halfpence collection, along with whatever state coins that we can find time for. I'll give you a call before then to make firmer plans. I hope this will be convenient for you, as I'm looking forward to viewing some of your collection.

Thanks -

Yours,
Mike

Box 3010
Albany, N.Y. 12203
April 27, 1989

Eric P. Newman
6450 Cecil Ave.
St. Louis, Mo. 63105

Dear Eric:

Enclosed is a foil pressing of a 1781 Irish halfpenny I found recently that is made of the 1785 punches. When I have time, I will take some photos of the piece and get a set to you.

The R punch has not yet broken on this die, though with some magnification, it can be seen that the right serif is thin. Too bad I didn't run across this a year ago!

I'm still looking forward to the ANS article- I guess they're running behind with the publications. I've been so busy myself lately that I still haven't had a chance to write up the Nova-Triumpho piece for CNL. Hopefully I'll have time next month.

Will be in touch again soon.

Yours,

Mike

Mike Ringo

1773 ^{ctf Br} $\frac{1}{2}$ hd over HIBERNIA

1773 ctf Br $\frac{1}{2}$ d Backward S. 90° cross on shield

1775 ctf Br $\frac{1}{2}$ pointed border dentil - lettering
Seems American
R ^{in BRIT} has stroke betw uprights.

1776 Batty 3816 une

1769 ctf Br. $\frac{1}{2}$ d F defective
Lower right serif on T ^{says} broken or repaired.

Sthomis 5/14/88

loaned to Ringo. ~~Stomis~~

Returned in
Cincinnati
7/23/88

Box 3010
Albany, N.Y. 12203
May 29, 1989

Eric P. Newman
6450 Cecil Ave.
St. Louis, Mo. 63105

Dear Eric:

Enclosed are photos of the 1781 counterfeit Irish halfpenny that is made of the 1785 punches. Also enclosed are photos of the Low 1 that I believe to be cast. It may be difficult to see, but the pitting in the central part of the obverse appears to be a result of the casting process, rather than from corrosion or oxidation. The cheek has been smoothed down somewhat, apparently in an attempt to hide this pitting. The edge at one point (by the obverse scratch at 1:00) shows a depression, which appears to have been caused by the removal of some metal. Three or four lines of reeding have been engraved into the edge at this point, and not all are parallel to the original reeding lines. This would seem to me to indicate the spot where the casting port was before being removed. I do not own the piece, so was not able to get specific gravity comparisons.

I realize that it is difficult if not impossible to draw any conclusions from the photos, but please let me know if you have any opinions about the piece. As I mentioned on the phone, the source was the original reason for my suspicions, as the piece looks fine on first glance.

Yours,

Mike

Mike Ringo



1781 Irish counterfeit ½d.



1781 Irish counterfeit ½d.

June 5, 1989

Mike Ringo
Box 3010
Albany, NY 12203

Dear Mike:

The 1781 counterfeit Irish 1/2 d is very convincing as to its letter punches. Now that you have one please find me one.

There is no basis to moan over the fact that it won't be in my article. These things always happen. At least we have the brokerage which shows the same lettering punches.

I patiently await the 1785 article and also await a written report from you comparing the 1783 Georgius Triumpho letter punches with the Novas or any other tie in.

Keep your sharp eyes scanning the waterfront.

Thanks for your continued help and cooperation.

Sincerely,

Eric P. Newman

PHOTOS to E.P.N.

Note center dot on Irish c'feit (evidence of careful die work).

1776 Hibernia is an interesting English/Irish mule I bought at ANA after I talked to you.

Also enclosed are photos of one of my 1775 counterfeits overstruck on a Mailcoach conder token.

Color photo of 53-85B shows traces of 2nd baseline.



N.53-85B







N. 53-85 B



16

OVER
CONDOR
TOKEN

506



16

OVER
CONDOR
TOKEN

506

1781

SPN

3822 40-81A 22.8
18
10.7 ✓

3823 41-81-B 22.9
15.12
11.0

42-81C 22.5
16.8
10.9

43-81D 22.0. ?
16.1
11.0.

Ringo 44-81E 22.9
17.1
10.6

~~F27gr~~

JOSEPH R. LASSE

522 FIFTH AVENUE

NEW YORK, NEW YORK 10036

June 6, 1989

Mr. Eric Newman
6450 Cecil Avenue
St. Louis, MO 63105

Dear Eric:

Read the new Museum Notes and was pleased to see you in the position of anchorman this year. You are still the best numismatic scholar from the viewpoint of breadth, depth, and quality of presentation. Wow!! What a good piece!!

All the best,

Joseph R. Lasser

P.S. I also read the acknowledgement. You are as meticulous as ever and I was most pleased -- but it wasn't deserved or necessary.

ERNEST J. MONTGOMERY, M. D.
1216 MINNESOTA AVE.
NATRONA HEIGHTS, PENNSYLVANIA 15065
TELEPHONE 412 - 226-1119

June 8, 1989

Mr. Eric P. Newman
The American Numismatic Society
New York, New York

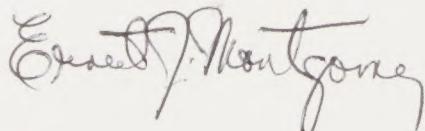
Dear Mr. Newman:

As so often in the past I enjoyed reading your erudite article beginning on p. 205 of The American Numismatic Society Museum Notes 33. Enclosed please find a pressing of a piece in my collection that I believe is a combination of Obverse 52 with the Reverse 85B. In a quick look at my collection of similar pieces this is the only 1785 dated specimen that I have. For some time I have been involved in studying especially those pieces that you have apparently recently come to refer to as "evasions". Thank you for your mention of the definition of counterfeit in your article. Unfortunately, this term has become almost trite in Numismatic circles because of its many uses and abuses. Certainly, to refer to obvious tokens such as the "evasions" as counterfeits then encourages a whole host of tokens as counterfeit.

If you wish to see the 1785 specimen used for the pressing I shall be glad to send it to you or perhaps I might show it to you at the Pittsburgh ANA show.

Finally, it is possible that I might be placing my collection of "evasions" (I really don't like that term any better now than when I first heard Richard Gladding use it some years ago.) on exhibit at the ANA Convention.

Cordially,



AUCTIONS BY BOWERS AND MERENA, INC.

June 2, 1989

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, MO 63105

Dear Eric:

BOX 1224
WOLFEBORO, NH 03894
(603) 569-5095

Fax (603) 569-5319

In April, 1961 you co-authored an article with George Fuld on the 1796 "Getz" George Washington medal, Baker-33. Yesterday, a client sent me the piece, for inspection and possible auction sale in September.

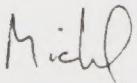
I spent several hours with the item, and have been able to confirm most of the description that you and George published in 1961. There is some discrepancy between the specific gravity reading published in 1961 and the reading I took yesterday, as well as the die orientation, but these are fairly minor points given the overall importance of the piece and the fineness of your earlier work.

I can add only one new piece of evidence to your original essay. You conjectured that Baker-33 had been struck over a planed down 8 reales piece, from the evidence of the ornamented edge that can be seen on the metal. I have been able to find traces of the undertype, which confirms your original belief. Between CA of AMERICA and the edge ornamentation can be made out EX and the left base of the undertype's pillar. The undertype, therefore, must have been a bust type 8 reales piece, dating from 1772 or later, the reigns of either Charles III or Charles IV (1772-1808). The mint most likely was Mexico City.

One thing troubles me, however. As we know that the undertype was a Spanish colonial 8 reales struck after 1772, calling for a statutory fineness of .903, the specific gravity reading on Baker-33 of 10.4 seems rather high. Can you offer any explanation for this apparent discrepancy?

Incidentally, the ornamentation on the obverse was certainly entered by using a "gang punch" of the sort favored by silversmiths of the period. This would tend to strengthen the connection of these pieces with Peter Getz.

Yours truly,



Michael J. Hodder
Director, Research Department
Auctions by Bowers and Merena, Inc.

MJH/dt

P.S.: I was happy to see the fruit of your research on the 1785 dated coppers appear in the most recent Museum Notes. It was an interesting essay. You must certainly have one of the finest numismatic libraries in the United States.

June 12, 1989

Michael Hodder
Director, Research Department
Auctions by Bowers & Merena, Inc.
Box 1224
Wolfeboro, NH 03894

Dear Mike:

Thank you for the nice comments about my 1785 half pence article. Coming from a British-American researcher like yourself it means very much.

Please come to see our library to satisfy your speculation that it has quality. You are welcome any time.

Sincerely,

Eric P. Newman

Your memorialists turn away from the impolicy and injustice of the said act, and view it in another light, in which, to them, it appears still more odious and deformed.

During the whole discussion of the federal constitution, by the convention of Virginia, your memorialists were taught to believe, "that every power not granted, was retained;" under this impression, and upon this positive condition, declared in the instrument of ratification, the said Government was adopted by the people of this Commonwealth; but your memorialists can find no clause in the constitution, authorizing Congress to assume debts of the States! As the guardians, then, of the rights and interests of their constituents; as sentinels placed by them over the ministers of the Federal Government, to shield it from their encroachments, or at least to sound the alarm when it is threatened with invasion; they can never reconcile it to their consciences silently to acquiesce in a measure which violates that hallowed maxim—a maxim, on the truth and sacredness of which, the Federal Government depended for its adoption in this Commonwealth. But this injudicious act not only deserves the censure of the General Assembly, because it is not warranted by the constitution of the United States, but, because it is repugnant to an express provision of that constitution. This provision is, "that all debts contracted, and engagements entered into, before the adoption of this constitution, shall be as valid against the United States, under this constitution, as under the Confederation;" which amounts to a constitutional ratification of the contracts respecting the State debts in the situation in which they existed under the Confederation; and, resorting to that standard, there can be no doubt that, in the present question, the rights of States, as contracting parties with the United States, must be considered as sacred.

The General Assembly of the Commonwealth of Virginia confide so fully in the justice and wisdom of Congress, upon the present occasion, as to hope that they will revise and amend the aforesaid act generally, and repeal, in particular, so much of it as relates to the assumption of the State debts.

Teste.

CHARLES HAY, C. H. D.

1790, December 23.

Agreed to by the Senate.

H. BROOKE, S. C.

1st CONGRESS.

No. 24.

[3d SESSION]

ON THE ESTABLISHMENT OF A MINT.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, JANUARY 28, 1791.

The Secretary of the Treasury having attentively considered the subject referred to him by the order of the House of Representatives, of the fifteenth of April last, relatively to the establishment of a Mint, most respectfully submits the result of his inquiries and reflections.

A plan for an establishment of this nature, involves a great variety of considerations—intricate, nice, and important. The general state of debtor and creditor; all the relations and consequences of price; the essential interests of trade and industry; the value of all property; the whole income, both of the State and of individuals, are liable to be sensibly influenced, beneficially or otherwise, by the judicious or injudicious regulation of this interesting object.

It is one, likewise, not more necessary than difficult to be rightly adjusted; one which has frequently occupied the reflections and researches of politicians, without having harmonized their opinions on some of the most important of the principles which enter into its discussion. Accordingly, different systems continue to be advocated, and the systems of different nations, after much investigation, continue to differ from each other.

But, if a right adjustment of the matter be truly of such nicety and difficulty, a question naturally arises, whether it may not be most advisable to leave things, in this respect, in the state in which they are? Why, might it be asked, since they have so long proceeded in a train which has caused no general sensation of inconvenience, should alterations be attempted, the precise effect of which cannot with certainty be calculated?

The answer to this question is not perplexing. The immense disorder which actually reigns in so delicate and important a concern, and the still greater disorder which is every moment possible, call loudly for a reform. The dollar originally contemplated in the money transactions of this country, by successive diminutions of its weight and fineness, has sustained a depreciation of five per cent., and yet the new dollar has a currency, in all payments in place of the old, with scarcely any attention to the difference between them. The operation of this in depreciating the value of property, depending upon past contracts; and, (as far as inattention to the alteration in the coin may be supposed to leave prices stationary) of all other property, is apparent. Nor can it require argument to prove, that a nation ought not to suffer the value of the property of its citizens to fluctuate with the fluctuations of a foreign mint, and to change with the changes in the regulations of a foreign sovereign. This, nevertheless, is the condition of one which, having no coins of its own, adopts with implicit confidence those of other countries.

The unequal values allowed in different parts of the Union to coins of the same intrinsic worth; the defective species of them which embarrass the circulation of some of the States; and the dissimilarity in their several moneys of account; are inconveniences, which, if not to be ascribed to the want of a national coinage, will at least be most effectually remedied by the establishment of one—a measure that will, at the same time, give additional security against impositions by counterfeit as well as by base currencies.

It was with great reason, therefore, that the attention of Congress, under the late Confederation, was repeatedly drawn to the establishment of a mint; and it is with equal reason that the subject has been resumed, now that the favorable change which has taken place in the situation of public affairs, admits of its being carried into execution.

But, though the difficulty of devising a proper establishment ought not to deter from undertaking so necessary a work, yet it cannot but inspire diffidence in one, whose duty it is made to propose a plan for the purpose, and may perhaps be permitted to be relied upon as some excuse for any errors which may be chargeable upon it, or for any deviations from sounder principles, which may have been suggested by others, or even in part acted upon by the former Government of the United States.

In order to a right judgment of what ought to be done, the following particulars require to be discussed:

- 1st. What ought to be the nature of the money unit of the United States?
- 2d. What the proportion between gold and silver, if coins of both metals are to be established?
- 3d. What the proportion and composition of alloy in each kind?
- 4th. Whether the expense of coinage shall be defrayed by the Government, or out of the material itself?
- 5th. What shall be the number, denominations, sizes, and devices of the coins?
- 6th. Whether foreign coins shall be permitted to be current or not; if the former, at what rate, and for what period?

A pre-requisite to determining with propriety, what ought to be the money unit of the United States, is to endeavor to form as accurate an idea as the nature of the case will admit, of what it actually is. The pound, though of various value, is the unit in the money of account of all the States. But it is not equally easy to pronounce what is to be considered as the unit in the coins. There being no formal regulation on the point, (the resolutions of

Congress of the 6th July, 1785, and 8th of August, 1786, having never yet been carried into operation) it can only be inferred from usage or practice. The manner of adjusting foreign exchanges, would seem to indicate the dollar as best entitled to that character. In these, the old piaster of Spain, or old Seville piece of eight *reals*, of the value of four shillings and six-pence sterling, is evidently contemplated. The computed par between Great Britain and Pennsylvania, will serve as an example. According to that, one hundred pounds sterling is equal to one hundred and sixty-six pounds and two-thirds of a pound, Pennsylvania currency; which corresponds with the proportion between 4s. 6d. sterling, and 7s. 6d. the current value of the dollar in that State, by invariable usage. And, as far as the information of the Secretary goes, the same comparison holds in the other States.

But this circumstance in favor of the dollar, loses much of its weight from two considerations. That species of coin has never had any settled or standard value, according to weight or fineness, but has been permitted to circulate by tale, without regard to either, very much as a mere money of convenience, while gold has had a fixed price by weight, and with an eye to its fineness. This greater stability of value of the gold coins is an argument of force for regarding the money unit as having been hitherto virtually attached to gold, rather than to silver.

Twenty-four grains and six-eighths of a grain of fine gold have corresponded with the nominal value of the dollar in the several States, without regard to the successive diminutions of its intrinsic worth.

But, if the dollar should, notwithstanding, be supposed to have the best title to being considered as the present unit in the coins, it would remain to determine what kind of dollar ought to be understood; or, in other words, what precise quantity of fine silver.

The old piaster of Spain, which appears to have regulated our foreign exchanges, weighed 17 dwt. 12 grains, and contained 386 grains and 15 mites of fine silver. But this piece has been long since out of circulation. The dollars now in common currency, are of recent date, and much inferior to that, both in weight and fineness. The average weight of them, upon different trials, in large masses, has been found to be 17 dwt. 8 grains. Their fineness is less precisely ascertained; the results of various assays, made by different persons, under the direction of the late Superintendent of the Finances, and of the Secretary, being as various as the assays themselves. The difference between their extremes is not less than 24 grains in a dollar of the same weight and age; which is too much for any probable differences in the pieces. It is rather to be presumed, that a degree of inaccuracy has been occasioned by the want of proper apparatus, and, in general, of practice. The experiment which appears to have the best pretensions to exactness would make the new dollar to contain 370 grains and 933 thousandths parts of a grain of pure silver.

According to an authority on which the Secretary places reliance, the standard of Spain, for its silver coin, in the year 1761, was 261 parts fine, and 27 parts alloy; at which proportion, a dollar of 17 dwt. 8 grains, would consist of 377 grains of fine silver, and 39 grains of alloy. But there is no question that this standard has been since altered considerably for the worse: to what precise point, is not as well ascertained as could be wished; but, from a computation of the value of dollars in the markets both of Amsterdam and London, (a criterion which cannot materially mislead) the new dollar appears to contain about 368 grains of fine silver, and that which immediately preceded it about 374 grains.

In this state of things, there is some difficulty in defining the dollar which is to be understood as constituting the present money unit, on the supposition of its being most applicable to that species of coin. The old Seville piece of 386 grains and 15 mites fine, comports best with the computations of foreign exchanges, and with the more ancient contracts respecting landed property; but far the greater number of contracts still in operation concerning that kind of property, and all those of a merely personal nature, now in force, must be referred to a dollar of a different kind. The actual dollar, at the time of contracting, is the only one which can be supposed to have been intended; and it has been seen, that, as long ago as the year 1761, there had been a material degradation of the standard. And even in regard to the more ancient contracts, no person has ever had any idea of a scruple about receiving the dollar of the day as a full equivalent for the nominal sum which the dollar originally imported.

A recrudescence, therefore, to the ancient dollar, would be in the greatest number of cases an innovation *in fact*, and in all, an innovation in respect to opinion. The actual dollar in common circulation, has evidently a much better claim to be regarded as the actual money unit.

The mean intrinsic value of the different kinds of known dollars, has been intimated as affording the proper criterion. But, when it is recollect that the more ancient and more valuable ones are not now to be met with at all in circulation, and that the mass of those generally current, is composed of the newest and most inferior kinds, it will be perceived that even an equation of that nature, would be a considerable innovation upon the real present state of things; which it will certainly be prudent to approach, as far as may be consistent with the permanent order designed to be introduced.

An additional reason for considering the prevailing dollar as the standard of the present money unit, rather than the ancient one, is, that it will not only be conformable to the true existing proportion between the two metals in this country, but will be more conformable to that which obtains in the commercial world generally.

The difference established by custom in the United States between coined gold and coined silver, has been stated upon another occasion, to be nearly as 1 to 15.6. This, if truly the case, would imply that gold was extremely overvalued in the United States: for the highest *actual proportion* in any part of Europe, very little, if at all, exceeds 1 to 15; and the average proportion throughout Europe, is probably not more than about one to 14 $\frac{1}{2}$. But that statement has proceeded upon the idea of the ancient dollar. One pennyweight of gold of twenty-two carats fine, at 6s. 8d., and the old Seville piece of 386 grains and 15 mites of pure silver, at 7s. 6d., furnish the exact ratio of 1 to 15.6262. But this does not coincide with the real difference between the metals in our market, or, which in with us the same thing, in our currency. To determine this, the quantity of fine silver in the general mass of the dollars now in circulation, must afford the rule. Taking the rate of the late dollar of 374 grains, the proportion would be as 1 to 15.11. Taking the rate of the newest dollar, the proportion would then be as 1 to 14.87. The mean of the two would give the proportion of 1 to 15 very nearly; less than the legal proportion in the coins of Great Britain, which is as 1 to 15.2; but somewhat more than the actual or market proportion, which is not quite 1 to 15.

The preceding view of the subject does not indeed afford a precise or certain definition of the present unit in the coins, but it furnishes data which will serve as guides in the progress of the investigation. It ascertains, at least, that the sum in the money of account of each State, corresponding with the nominal value of the dollar in such State, corresponds also with 24 grains and $\frac{1}{2}$ of a grain, of fine gold; and with something between 368 and 374 grains of fine silver.

The next inquiry towards a right determination of what ought to be the future money unit of the United States, turns upon these questions: Whether it ought to be peculiarly attached to either of the metals, in preference to the other, or not; and, if to either, to which of them?

The suggestions and proceedings, hitherto, have had for object, the annexing of it emphatically to the silver dollar. A resolution of Congress, of the 6th of July, 1785, declares that the money unit of the United States shall be a dollar; and another resolution of the 8th of August 1786, fixes that dollar at 375 grains and 64 hundredths of a grain of fine silver. The same resolution, however, determines, that there shall also be two gold coins, one of 246 grains and 268 parts of a grain of pure gold, equal to ten dollars, and the other of half that quantity of pure gold, equal to five dollars: And it is not explained, whether either of the two species of coins, of gold or silver, shall have any greater legality in payments, than the other. Yet it would seem that a preference in this particular is necessary to execute the idea of attaching the unit exclusively to one kind. If each of them be as valid as the other, in payments to any amount, it is not obvious in what effectual sense either of them can be deemed the money unit, rather than the other.

If the general declaration, that the dollar shall be the money unit of the United States, could be understood to give it a superior legality in payments, the institution of coins of gold, and the declaration that each of them shall be equal to a certain number of dollars, would appear to destroy that inference: And the circumstance of making the dollar the unit in the money of account, seems to be rather matter of form than of substance.

Contrary to the ideas which have heretofore prevailed, in the suggestions concerning a coinage for the United States, though not without much hesitation, arising from a deference for those ideas, the Secretary is, upon the

whole, strongly inclined to the opinion, that a preference ought to be given to neither of the metals, for the money unit. Perhaps, if either were to be preferred, it ought to be gold rather than silver.

The reasons are these:

The inducement to such a preference is to render the unit as little variable as possible; because on this depends the steady value of all contracts, and, in a certain sense, of all other property. And, it is truly observed, that if the unit belong indiscriminately to both the metals, it is subject to all the fluctuations that happen in the relative value which they bear to each other. But the same reason would lead to annexing it to that particular one, which is itself the least liable to variation, if there be, in this respect, any discernible difference between the two.

Gold may, perhaps, in certain senses, be said to have greater stability than silver: as, being of superior value, less liberties have been taken with it, in the regulations of different countries. Its standard has remained more uniform, and it has, in other respects, undergone fewer changes: as, being not so much an article of merchandise, owing to the use made of silver in the trade with the East Indies and China, it is less liable to be influenced by circumstances of commercial demand. And if, reasoning by analogy, it could be affirmed, that there is a physical probability of greater proportional increase in the quantity of silver than in that of gold, it would afford an additional reason for calculating on greater steadiness in the value of the latter.

As long as gold, either from its intrinsic superiority as a metal, from its greater rarity, or from the prejudices of mankind, retains so considerable a pre-eminence in value over silver, as it has hitherto had, a natural consequence of this seems to be that its condition will be more stationary. The revolutions, therefore, which may take place in the comparative value of gold and silver, will be changes in the state of the latter, rather than in that of the former.

If there should be an appearance of too much abstraction in any of these ideas, it may be remarked, that the first and most simple impressions do not naturally incline to giving a preference to the inferior or least valuable of the two metals.

It is sometimes observed, that silver ought to be encouraged rather than gold, as being more conducive to the extension of bank circulation, from the greater difficulty and inconvenience which its greater bulk, compared with its value, occasions in the transportation of it. But bank circulation is desirable, rather as *an auxiliary to*, than as *a substitute for* that of the precious metals, and ought to be left to its natural course. Artificial expedients to extend it, by opposing obstacles to the other, are, at least, not recommended by any very obvious advantages. And, in general, it is the safest rule to regulate every particular institution or object, according to the principles which, in relation to itself, appear the most sound. In addition to this, it may be observed, that the inconvenience of transporting either of the metals, is sufficiently great to induce a preference of bank paper, whenever it can be made to answer the purpose equally well.

But, upon the whole, it seems to be most advisable, as has been observed, not to attach the unit exclusively to either of the metals; because this cannot be done effectually, without destroying the office and character of one of them as money, and reducing it to the situation of a mere merchandise; which, accordingly, at different times, has been proposed from different and very respectable quarters; but which would, probably, be a greater evil than occasional variations in the unit, from the fluctuations in the relative value of the metals; especially, if care be taken to regulate the proportion between them, with an eye to their average commercial value.

To annul the use of either of the metals, as money, is to abridge the quantity of circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full, with the evils of a scanty circulation.

It is not a satisfactory answer to say, that none but the favored metal would, in this case, find its way into the country, as in that all balances must be paid. The practicability of this would, in some measure, depend on the abundance or scarcity of it in the country paying. Where there was but little, it either would not be procurable at all, or it would cost a premium to obtain it; which, in every case of a competition with others, in a branch of trade, would constitute a deduction from the profits of the party receiving. Perhaps, too, the embarrassments which such a circumstance might sometimes create, in the pecuniary liquidation of balances, might lead to additional efforts to find a substitute in commodities, and might so far impede the introduction of the metals. Neither could the exclusion of either of them be deemed, in other respects, favorable to commerce. It is often, in the course of trade, as desirable to possess the kind of money, as the kind of commodities best adapted to a foreign market.

It seems, however, most probable, that the chief, if not the sole effect of such a regulation, would be to diminish the utility of one of the metals. It could hardly prove an obstacle to the introduction of that which was excluded in the natural course of trade; because it would always command a ready sale, for the purpose of exportation to foreign markets. But such an effect, if the only one, is not to be regarded as a trivial inconvenience.

If, then, the unit ought not to be attached exclusively to either of the metals, the proportion which ought to subsist between them, in the coins, becomes a preliminary inquiry, in order to its proper adjustment. This proportion appears to be, in several views, of no inconsiderable moment.

One consequence of overvaluing either metal, in respect to the other, is the banishment of that which is undervalued. If two countries are supposed, in one of which, the proportion of gold to silver is as 1 to 16, in the other as 1 to 15, gold being worth more, silver less, in one than in the other, it is manifest, that, in their reciprocal payments, each will select that species which it values least, to pay to the other, where it is valued most. Besides this, the dealers in money will, from the same cause, often find a profitable traffic in an exchange of the metals between the two countries. And hence it would come to pass, if other things were equal, that the greatest part of the gold would be collected in one, and the greatest part of the silver in the other. The course of trade might, in some degree, counteract the tendency of the difference in the legal proportions, by the market value; but this is so far and so often influenced by the legal rates, that it does not prevent their producing the effect which is inferred. Facts, too, verify the inference: In Spain and England, where gold is rated higher than in other parts of Europe, there is a scarcity of silver; while it is found to abound in France and Holland, where it is rated higher, in proportion to gold, than in the neighboring nations. And it is continually flowing from Europe to China and the East Indies, owing to the comparative cheapness of it in the former, and dearness of it in the latter.

This consequence is deemed by some not very material; and there are even persons, who, from a fanciful predilection to gold, are willing to invite it, even by a higher price. But general utility will best be promoted by a due proportion of both metals. If gold be most convenient in large payments, silver is best adapted to the more minute and ordinary circulation.

But it is to be suspected, that there is another consequence more serious than the one which has been mentioned. This is the diminution of the total quantity of specie which a country would naturally possess.

It is evident that, as often as a country, which overrates either of the metals, receives a payment in that metal, it gets a less actual quantity than it ought to do, or than it would do, if the rate were a just one.

It is also equally evident, that there will be a continual effort to make payment to it in that species, to which it has annexed an exaggerated estimation, wherever it is current at a less proportional value. And it would seem to be a very natural effect of these two causes, not only that the mass of the precious metals in the country in question, would consist chiefly of that kind, to which it had given an extraordinary value, but that it would be absolutely less, than if they had been duly proportioned to each other.

A conclusion of this sort, however, is to be drawn with great caution. In such matters, there are always some local and many other particular circumstances, which qualify and vary the operation of general principles, even where they are just; and there are endless combinations, very difficult to be analyzed, which often render principles, that have the most plausible pretensions, unsound and delusive.

There ought, for instance, according to those which have been stated, to have been formerly a greater quantity of gold in proportion to silver in the United States, than there has been; because the actual value of gold in this country, compared with silver, was perhaps higher than in any other. But, our situation with regard to the West Indian islands, into some of which there is a large influx of silver directly from the mines of South America, occasions an extraordinary supply of that metal, and consequently a greater proportion of it in our circulation, than might have been expected from its relative value.

What influence the proportion under consideration may have upon the state of prices, and how far this may counteract its tendency to increase or lessen the quantity of the metals, are points not easy to be developed; and yet they are very necessary to an accurate judgment of the true operation of the thing.

But, however impossible it may be to pronounce with certainty, that the possession of a less quantity of specie is a consequence of overvaluing either of the metals, there is enough of probability in the considerations which seem to indicate it, to form an argument of weight against such overvaluation.

A third ill consequence resulting from it is, a greater and more frequent disturbance of the state of the money unit, by a greater and more frequent diversity between the legal and market proportions of the metals. This has not hitherto been experienced in the United States, but it has been experienced elsewhere; and from its not having been felt by us hitherto, it does not follow that this will not be the case hereafter, when our commerce shall have attained a maturity which will place it under the influence of more fixed principles.

In establishing a proportion between the metals, there seems to be an option of one of two things—

To approach, as nearly as it can be ascertained, the mean or average proportion, in what may be called the commercial world; or,

To retain that which now exists in the United States. As far as these happen to coincide, they will render the course to be pursued more plain and more certain.

To ascertain the first, with precision, would require better materials than are possessed, or than could be obtained, without an inconvenient delay.

Sir Isaac Newton, in a representation to the treasury of Great Britain, in the year 1717, after stating the particular proportions in the different countries of Europe, concludes thus:—"By the course of trade and exchange between nation and nation, in all Europe, fine gold is to fine silver as 14 $\frac{1}{2}$ or 15 to 1."

But however accurate and decisive this authority may be deemed, in relation to the period to which it applies, it cannot be taken, at the distance of more than seventy years, as a rule for determining the existing proportion. Alterations have been since made, in the regulations of their coins, by several nations; which, as well as the course of trade, have an influence upon the market values. Nevertheless, there is reason to believe, that the state of the matter, as represented by Sir Isaac Newton, is not very remote from its actual state.

In Holland, the greatest *money* market of Europe, gold was to silver, in December, 1789, as 1 to 14.88; and in that of London, it has been, for some time past, but little different, approaching, perhaps, something nearer 1 to 15.

It has been seen that the existing proportion between the two metals, in this country, is about as 1 to 15.

It is fortunate, in this respect, that the innovations of the Spanish mint have imperceptibly introduced a proportion so analogous as this is, to that which prevails among the principal commercial nations; as it greatly facilitates a proper regulation of the matter.

This proportion of 1 to 15 is recommended by the particular situation of our trade, as being very nearly that which obtains in the market of Great Britain, to which nation our specie is principally exported. A lower rate for either of the metals, in our market, than in hers, might not only afford a motive the more, in certain cases, to remit in specie rather than in commodities; but it might, in some others, cause us to pay a greater quantity of it for a given sum, than we should otherwise do. If the effect should rather be to occasion a premium to be given for the metal which was under-rated, this would obviate those disadvantages, but it would involve another—a customary difference between the market and legal proportions, which would amount to a species of disorder in the national coinage.

Looking forward to the payments of interest hereafter to be made to Holland, the same proportion does not appear ineligible. The present legal proportion in the coins of Holland is stated to be 1 to 14 $\frac{9}{16}$. That of the market varies somewhat, at different times, but seldom very widely from this point.

There can hardly be a better rule in any country, for the legal, than the market proportion, if this can be supposed to have been produced by the free and steady course of commercial principles. The presumption, in such case, is, that each metal finds its true level, according to its intrinsic utility, in the general system of money operations.

But it must be admitted, that this argument, in favor of continuing the existing proportion, is not applicable to the state of the coins with us. There have been too many artificial and heterogeneous ingredients, too much want of order in the pecuniary transactions of this country, to authorize the attributing the effects which have appeared to the regular operations of commerce. A proof of this is to be drawn from the alterations which have happened in the proportion between the metals merely by the successive degradations of the dollar, in consequence of the mutability of a foreign mint. The value of gold to silver appears to have declined wholly from this cause, from 15 $\frac{1}{2}$ to about 15 to 1. Yet, as this last proportion, however produced, coincides so nearly with what may be deemed the commercial average, it may be supposed to furnish as good a rule as can be pursued.

The only question seems to be, whether the value of gold ought not to be a little lowered to bring it to a more exact level with the two markets which have been mentioned. But as the ratio of 1 to 15 is so nearly conformable to the state of those markets, and best agrees with that of our own, it will probably be found the most eligible. If the market of Spain continues to give a higher value to gold (as it has done in time past) than that which is recommended, there may be some advantage in a middle station.

A further preliminary to the adjustment of the future money unit, is, to determine what shall be the proportion and composition of alloy in each species of the coins.

The first, by the resolution of the 8th of August, 1786, before referred to, is regulated at one-twelfth, or in other words, at 1 part alloy to 11 parts fine, whether gold or silver; which appears to be a convenient rule; unless there should be some collateral consideration which may dictate a departure from it. Its correspondence, in regard to both metals, is a recommendation of it, because a difference could answer no purpose of pecuniary or commercial utility, and uniformity is favorable to order.

This ratio, as it regards gold, coincides with the proportion, real or professed, in the coins of Portugal, England, France, and Spain. In those of the two former, it is real, in those of the two latter, there is a deduction for what is called *remedy of weight and alloy*, which is in the nature of an allowance to the master of the mint for errors and imperfections in the process, rendering the coin either lighter or baser than it ought to be. The same thing is known in the theory of the English mint, where $\frac{1}{8}$ of a carat is allowed. But the difference seems to be, that there, it is merely an occasional indemnity within a certain limit, for real and unavoidable errors and imperfections; whereas, in the practice of the mints of France and Spain, it appears to amount to a stated and regular deviation from the nominal standard. Accordingly, the real standards of France and Spain are something worse than 22 carats, or 11 parts in 12 fine.

The principal gold coins in Germany, Holland, Sweden, Denmark, Poland, and Italy, are finer than those of England and Portugal, in different degrees, from 1 carat and a $\frac{1}{2}$ to 1 carat and $\frac{1}{2}$, which last is within $\frac{1}{8}$ of a carat of pure gold.

There are similar diversities in the standards of the silver coins of the different countries of Europe. That of Great Britain is 222 parts fine, to 18 alloy; those of the other European nations vary from that of Great Britain as widely as from about 17 of the same parts better, to 75 worse.

The principal reasons assigned for the use of alloy, are the saving of expense in the refining of the metals, (which in their natural state are usually mixed with a portion of the coarser kinds) and the rendering of them harder as a security against too great waste by friction or wearing. The first reason, drawn from the original composition of the metals, is strengthened at present by the practice of alloying their coins, which has obtained among so many nations. The reality of the effect to which the last reason is applicable, has been denied, and experience has been appealed to, as proving that the more alloyed coins wear faster than the purer. The true state of this matter may be worthy of future investigation, though first appearances are in favor of alloy. In the mean time, the saving of trouble and expense are sufficient inducements to following those examples which suppose its expediency. And the same considerations lead to taking as our models those nations with whom we have most intercourse, and whose coins are most prevalent in our circulation. These are Spain, Portugal, England, and France. The relation which the proposed proportion bears to their gold coins has been explained. In respect to their silver coins, it will not be very remote from the mean of their several standards.

The component ingredients of the alloy in each metal will also require to be regulated. In silver, copper is the only kind in use, and it is doubtless the only proper one. In gold, there is a mixture of silver and copper; in the English coins consisting of equal parts; in the coins of some other countries, varying from $\frac{1}{2}$ to $\frac{2}{3}$ silver.

The reason of this union of silver with copper is this: The silver counteracts the tendency of the copper to injure the color or beauty of the coin, by giving it too much redness, or rather a coppery hue, which a small quantity will produce; and the copper prevents the too great whiteness which silver alone would confer. It is apprehended, that there are considerations which may render it prudent to establish, by law, that the proportion of silver to copper, in the gold coins of the United States, shall not be more than $\frac{1}{2}$, nor less than $\frac{1}{3}$; vesting a discretion in some proper place to regulate the matter within those limits, as experience in the execution may recommend.

A third point remains to be discussed, as a pre-requisite to the determination of the money unit, which is, whether the expense of coining shall be defrayed by the public, or out of the material itself; or, as it is sometimes stated, whether coinage shall be free, or shall be subject to a duty or imposition? This forms, perhaps, one of the nicest questions in the doctrine of money.

The practice of different nations is dissimilar in this particular. In England, coinage is said to be entirely free: the mint price of the metals in bullion, being the same with the value of them in coin. In France, there is a duty, which has been, if it is not now, eight per cent. In Holland, there is a difference between the mint price and the value in the coins, which has been computed at .96, or something less than one per cent. upon gold; at 1.48, or something less than one and a half per cent. upon silver. The resolution of the 8th of August, 1786, proceeds upon the idea of a deduction of half per cent. from gold, and of two per cent. from silver, as an indemnification for the expense of coining. This is inferred from a report of the late Board of Treasury, upon which that resolution appears to have been founded.

Upon the supposition that the expense of coinage ought to be defrayed out of the metals, there are two ways in which it may be effected: one by a reduction of the quantity of fine gold and silver in the coins, the other by establishing a difference between the value of those metals in the coins, and the mint price of them in bullion.

The first method appears to the Secretary inadmissible. He is unable to distinguish an operation of this sort, from that of raising the denomination of the coin—a measure which has been disapproved by the wisest men of the nations in which it has been practised, and condemned by the rest of the world. To declare that a less weight of gold or silver shall pass for the same sum, which before represented a greater weight, or to ordain that the same weight shall pass for a greater sum, are things substantially of one nature. The consequence of either of them, if the change can be realized, is to degrade the money unit; obliging creditors to receive less than their just dues, and depreciating property of every kind. For it is manifest, that every thing would, in this case, be represented by a less quantity of gold and silver than before.

It is sometimes observed, on this head, that, though any article of property might, in fact, be represented by a less actual quantity of pure metal, it would nevertheless be represented by something of the same intrinsic value. Every fabric, it is remarked, is worth intrinsically the price of the raw material and the expense of fabrication; a truth not less applicable to a piece of coin than to a yard of cloth.

This position, well founded in itself, is here misapplied. It supposes, that the coins now in circulation are to be considered as bullion, or, in other words, as a raw material. But the fact is, that the adoption of them as money, has caused them to become the fabric; it has invested them with the character and office of coins, and has given them a sanction and efficacy, equivalent to that of the stamp of the sovereign. The prices of all our commodities, at home and abroad, and of all foreign commodities in our markets, have found their level in conformity to this principle. The foreign coins may be *divested* of the privilege they have hitherto been permitted to enjoy, and may of course be left to find their value in the market as a raw material. But the quantity of gold and silver in the national coins, corresponding with a given sum, cannot be made less than heretofore, without disturbing the balance of intrinsic value, and making every acre of land, as well as every bushel of wheat, of less actual worth than in time past. If the United States were isolated, and cut off from all intercourse with the rest of mankind, this reasoning would not be equally conclusive. But it appears decisive, when considered with a view to the relations which commerce has created between us and other countries.

It is, however, not improbable, that the effect meditated would be defeated by a rise of prices proportioned to the diminution of the intrinsic value of the coins. This might be looked for in every enlightened commercial country; but, perhaps, in none with greater certainty than in this; because, in none, are men less liable to be the dupes of sounds; in none, has authority so little resource for substituting names for things.

A general revolution in prices, though only nominally, and in appearance, could not fail to distract the ideas of the community, and would be apt to breed discontents as well among all those who live on the income of their money, as among the poorer classes of the people, to whom the necessities of life would seem to have become dearer. In the confusion of such a state of things, ideas of value would not improbably adhere to the old coins, which, from that circumstance, instead of feeling the effect of the loss of their privilege as money, would, perhaps, bear a price in the market, relatively to the new ones, in exact proportion to weight. The frequency of the demand for the metals to pay foreign balances, would contribute to this effect.

Among the evils attendant on such an operation, are these: creditors, both of the public and of individuals, would lose a part of their property; public and private credit would receive a wound; the effective revenues of the Government would be diminished. There is scarcely any point, in the economy of national affairs, of greater moment than the uniform preservation of the intrinsic value of the money unit. On this, the security and steady value of property essentially depend.

The second method, therefore, of defraying the expense of the coinage out of the metals, is greatly to be preferred to the other. This is to let the same sum of money continue to represent in the new coins exactly the same quantity of gold and silver as it does in those now current—to allow at the mint such a price only for those metals as will admit of profit just sufficient to satisfy the expense of coining; to abolish the legal currency of the foreign coins, both in public and private payments; and, of course, to leave the superior utility of the national coins for domestic purposes, to operate the difference of market value, which is necessary to induce the bringing of bullion to the mint. In this case, all property and labor will still be represented by the same quantity of gold and silver as formerly; and the only change which will be wrought, will consist in annexing the office of money exclusively to the national coins; consequently, withdrawing it from those of foreign countries, and suffering them to become, as they ought to be, mere articles of merchandise.

The arguments in favor of a regulation of this kind are, first: That the want of it is a cause of extra expense; there being, then, no motive of individual interest to distinguish between the national coins and bullion; they are, it is alleged, indiscriminately melted down for domestic manufactures, and exported for the purposes of foreign trade; and it is added, that when the coins become light by wearing, the same quantity of fine gold or silver bears a higher price in bullion than in the coins; in which state of things, the melting down of the coins to be sold as bullion is attended with profit; and from both causes, the expense of the mint, or, in other words, the expense of maintaining the specific capital of the nation, is materially augmented.

Secondly. That the existence of such a regulation promotes a favorable course of exchange, and benefits trade, not only by that circumstance, but by obliging foreigners, in certain cases, to pay dearer for domestic commodities, and to sell their own cheaper.

As far as relates to the tendency of a free coinage to produce an increase of expense in the different ways that have been stated, the argument must be allowed to have foundation, both in reason and in experience. It describes what has been exemplified in Great Britain.

The effect of giving an artificial value to bullion, is not, at first sight, obvious; but it actually happened at the period immediately preceding the late reformation in the gold coin of the country just named. A pound troy in gold bullion, of standard fineness, was then from 19s. 6d. to 25s. sterling dearer than an equal weight of guineas, as delivered at the mint. The phenomenon is thus accounted for: The old guineas were more than two per cent. lighter than their *standard weight*. This weight, therefore, in bullion, was truly worth two per cent. more than those guineas. It consequently had, in respect to them, a correspondent rise in the market.

And as guineas were then current by *tale*, the new ones, as they issued from the mint, were confounded in circulation with the old ones; and by the association, were depreciated below the intrinsic value, in comparison with bullion. It became of course a profitable traffic to sell bullion for coin, to select the light pieces, and re-issue them in currency, and to melt down the heavy ones, and sell them again as bullion. This practice, besides other inconveniences, cost the Government large sums in the renewal of the coins.

But the remainder of the argument stands upon ground far more questionable. It depends upon very numerous and very complex combinations, in which there is infinite latitude for fallacy and error.

The most plausible part of it, is that which relates to the course of exchange. Experience in France has shown that the market price of bullion has been influenced by the mint difference between that and coin; sometimes to the full extent of the difference; and it would seem to be a clear inference, that, whenever that difference materially exceeded the charges of remitting bullion from the country where it existed, to another in which coinage was free, exchange would be in favor of the former.

If, for instance, the balance of trade between France and England were at any time equal, their merchants would naturally have reciprocal payments to make to an equal amount, which, as usual, would be liquidated by means of bills of exchange. If in this situation the difference between coin and bullion should be, in the market, as at the mint of France, eight per cent.; if, also, the charges of transporting money from France to England, should not be above two per cent.; and if exchange should be at par, it is evident that a profit of six per cent. might be made, by sending bullion from France to England, and drawing bills for the amount. One hundred louis d'ors in coin, would purchase the weight of one hundred and eight in bullion; one hundred of which, remitted to England, would suffice to pay a debt of an equal amount; and two being paid for the charges of insurance and transportation, there would remain six for the benefit of the person who should manage the negotiation. But as so large a profit could not fail to produce competition, the bills, in consequence of this, would decrease in price, till the profit was reduced to the minimum of an adequate recompense for the trouble and risk. And, as the amount of one hundred louis d'ors in England, might be afforded for ninety-six in France, with a profit of more than one and a half per cent., bills upon England might fall, in France, to four per cent. below par; one per cent. being a sufficient profit to the exchanger or broker for the management of the business.

But it is admitted that this advantage is lost, when the balance of trade is against the nation which imposes the duty in question; because, by increasing the demand for bullion, it brings this to a par with the coins; and it is to be suspected, that where commercial principles have their free scope, and are well understood, the market difference between the metals in coin and bullion, will seldom approximate to that of the mint, if the latter be considerable. It must be not a little difficult to keep the money of the world, which can be employed to an equal purpose in the commerce of the world, in a state of degradation, in comparison with the money of a particular country.

This alone would seem sufficient to prevent it: Whenever the price of coin to bullion, in the market, materially exceeded the par of the metals, it would become an object to send the bullion abroad, if not to pay a foreign balance, to be invested in some other way, in foreign countries, where it bore a superior value; an operation by which immense fortunes might be amassed, if it were not that the exportation of the bullion would of itself restore the intrinsic par. But, as it would naturally have this effect, the advantage supposed would contain in itself the principle of its own destruction. As long, however, as the exportation of bullion could be made with profit, which is as long as exchange could remain below par, there would be a drain of the gold and silver of the country.

If any thing can maintain, for a length of time, a material difference between the value of the metals in coin and in bullion, it must be a constant and considerable balance of trade in favor of the country in which it is maintained. In one situated like the United States, it would in all probability be a hopeless attempt. The frequent demand for gold and silver, to pay balances to foreigners, would tend powerfully to preserve the equilibrium of intrinsic value.

The prospect is, that it would occasion foreign coins to circulate by common consent, nearly at par with the national.

To say that, as far as the effect of lowering exchange is produced, though it be only occasional and momentary, there is a benefit the more thrown into the scale of public prosperity, is not satisfactory. It has been seen, that it may be productive of one evil, the investment of a part of the national capital in foreign countries; which can hardly be beneficial but in a situation like that of the United Netherlands, where an immense capital, and a decrease of internal demand, render it necessary to find employment for money in the wants of other nations; and, perhaps on a close examination, other evils may be described.

One allied to that which has been mentioned is this—taking France, for the sake of more concise illustration, as the scene. Whenever it happens that French louis d'ors are sent abroad, from whatever cause, if there be a considerable difference between coin and bullion, in the market of France, it will constitute an advantageous traffic to send back these louis d'ors, and bring away bullion in lieu of them; upon all which exchanges, France must sustain an actual loss of a part of its gold and silver.

Again, such a difference between coin and bullion may tend to counteract a favorable balance of trade. Whenever a foreign merchant is the carrier of his own commodities to France for sale, he has a strong inducement to bring back specie, instead of French commodities; because a return in the latter may afford no profit, may even be attended with loss; in the former, it will afford a certain profit. The same principle must be supposed to operate in the general course of remittances from France to other countries. The principal question with a merchant, naturally is, in what manner can I realize a given sum, with most advantage, where I wish to place it? And, in cases in which other commodities are not likely to produce equal profit with bullion, it may be expected that this will be preferred; to which the greater certainty attending the operation must be an additional incitement. There can hardly be imagined a circumstance less friendly to trade, than the existence of an extra inducement arising from the possibility of a profitable speculation upon the articles themselves, to export from a country its gold and silver, rather than the products of its land and labor.

The other advantages supposed, of obliging foreigners to pay dearer for domestic commodities, and to sell their own cheaper, are applied to a situation which includes a favorable balance of trade. It is understood in this sense—the prices of domestic commodities, (such, at least, as are peculiar to the country) remain attached to the denominations of the coins. When a favorable balance of trade realizes in the market the mint difference between coin and bullion, foreigners, who must pay in the latter, are obliged to give more of it for such commodities than they otherwise would do. Again, the bullion, which is now obtained at a cheaper rate in the home market, will procure the same quantity of goods in the foreign market, as before; which is said to render foreign commodities cheaper. In this reasoning, much fallacy is to be suspected. If it be true, that foreigners pay more for domestic commodities, it must be equally true that they get more for their own when they bring them themselves to market. If peculiar, or other domestic commodities adhere to the denominations of the coins, no reason occurs why foreign commodities of a like character should not do the same thing; and, in this case, the foreigner, though he receive only the same value in coin for his merchandise as formerly, can convert it into a greater quantity of bullion. Whence the nation is liable to lose more of its gold and silver than if their intrinsic value in relation to the coins were preserved. And whether the gain or the loss will, on the whole, preponderate, would appear to depend on the comparative proportion of active commerce of the one country with the other.

It is evident, also, that the nation must pay as much gold and silver as before, for the commodities which it procures abroad; and whether it obtains this gold and silver cheaper or not, turns upon the solution of the question just intimated, respecting the relative proportion of active commerce between the two countries.

Besides these considerations, it is admitted in the reasoning, that the advantages supposed, which depend on a favorable balance of trade, have a tendency to affect that balance disadvantageously. Foreigners, it is allowed, will in this case seek some other vent for their commodities, and some other market where they can supply their wants at an easier rate. A tendency of this kind, if real, would be a sufficient objection to the regulation. Nothing which contributes to change a beneficial current of trade, can well compensate, by particular advantages, for so injurious an effect. It is far more easy to transfer trade from a less to a more favorable channel, than, when once transferred,

to bring it back to its old one. Every source of artificial interruption to an advantageous current, is, therefore, cautiously to be avoided.

It merits attention, that the able minister, who lately and so long presided over the finances of France, does not attribute to the duty of coinage in that country, any particular advantages in relation to exchange and trade. Though he rather appears an advocate for it, it is on the sole ground of the revenue it affords, which he represents as in the nature of a very moderate duty on the general mass of exportation.

And it is not improbable that, to the singular felicity of situation of that kingdom, is to be attributed its not having been sensible of the evils which seem incident to the regulation. There is, perhaps, no part of Europe which has so little need of other countries as France. Comprehending a variety of soils and climates, an immense population, its agriculture in a state of mature improvement, it possesses within its own bosom, most, if not all, the productions of the earth, which any of its most favored neighbors can boast. The variety, abundance, and excellence of its wines, constitute a peculiar advantage in its favor. Arts and manufactures are there also in a very advanced state; some of them, of considerable importance, in higher perfection than elsewhere. Its contiguity to Spain; the intimate nature of its connexion with that country—a country with few fabrics of its own, consequently numerous wants, and the principal receptacle of the treasures of the new world: these circumstances concur, in securing to France so uniform and so considerable a balance of trade, as in a great measure to counteract the natural tendency of any errors which may exist in the system of her mint; and to render inferences from the operation of that system there, in reference to this country, more liable to mislead than to instruct. Nor ought it to pass unnoticed, that, with all these advantages, the Government of France has found it necessary, on some occasions, to employ very violent methods to compel the bringing of bullion to the mint—a circumstance which affords a strong presumption of the inexpediency of the regulation, and of the impracticability of executing it in the United States.

This point has been the longer dwelt upon, not only because there is a diversity of opinion among speculative men concerning it, and a diversity in the practice of the most considerable commercial nations, but because the acts of our own Government, under the confederation, have not only admitted the expediency of defraying the expense of coinage out of the metals themselves, but upon this idea have both made a deduction from the weight of the coins, and established a difference between their regulated value and the mint price of bullion, greater than would result from that deduction. This double operation in favor of a principle so questionable in itself, has made a more particular investigation of it a duty.

The intention, however, of the preceding remarks, is rather to show that the expectation of commercial advantages ought not to decide in favor of a duty of coinage, and that, if it should be adopted, it ought not be in the form of a deduction from the intrinsic value of the coins, than absolutely to exclude the idea of any difference whatever, between the value of the metals in coin and in bullion. It is not clearly discerned, that a small difference between the mint price of bullion and the regulated value of the coins would be pernicious, or that it might not even be advisable, in the first instance, by way of experiment, merely as a preventive to the melting down and exportation of the coins. This will, now, be somewhat more particularly considered.

The arguments for a coinage entirely free, are, that it preserves the intrinsic value of the metals; that it makes the expense of fabrication a general instead of partial tax; and that it tends to promote the abundance of gold and silver, which, it is alleged, will flow to that place where they find the best price, and from that place where they are in any degree undervalued.

The first consideration has not much weight, as an objection to a plan which, without diminishing the quantity of metals in the coins, merely allows a less price for them in bullion at the national factory or mint. No rule of intrinsic value is violated, by considering the raw material as worth less than the fabric in proportion to the expense of fabrication. And by divesting foreign coins of the privilege of circulating as money, they become the raw material.

The second consideration has perhaps greater weight. But it may not amount to an objection, if it be the best method of preventing disorders in the coins, which it is, in a particular manner, the interest of those, on whom the tax would fall, to prevent. The practice of taking gold by weight, which has of late years obtained in Great Britain, has been found, in some degree, a remedy; but this is inconvenient, and may, on that account, fall into disuse. Another circumstance has had a remedial operation. This is the delays of the mint. It appears to be the practice there, not to make payment for the bullion which is brought to be exchanged for coin, till it either has in fact, or is pretended to have undergone the process of refining.

The necessity of fulfilling prior engagements, is a cause or pretext for postponing the delivery of the coin in lieu of the bullion. And this delay creates a difference in the market price of the two things. Accordingly, for some years past, an ounce of standard gold, which is worth in coin £3 17s. 10½d. sterling, has been in the market of London, in bullion, only £3 17s. 6d., which is within a small fraction of one half per cent. less. Whether this be management in the mint, to accommodate the bank in the purchase of bullion, or to effect indirectly something equivalent to a formal difference of price, or whether it be the natural course of the business, is open to conjecture.

It, at the same time, indicates that, if the mint were to make prompt payment, at about half per cent. less than it does at present, the state of bullion in respect to coin, would be precisely the same as it now is. And it would be then certain, that the Government would save expense in the coinage of gold; since it is not probable that the time actually lost in the course of the year, in converting bullion into coin, can be an equivalent to half per cent. on the advance, and there will generally be at the command of the treasury a considerable sum of money waiting for some periodical disbursement, which, without hazard, might be applied to that advance.

In what sense a free coinage can be said to promote the abundance of gold and silver, may be inferred from the instances which have been given of the tendency of a contrary system to promote their exportation. It is, however, not probable, that a very small difference of value between coin and bullion can have any effect which ought to enter into calculation. There can be no inducement of positive profit, to export the bullion, as long as the difference of price is exceeded by the expense of transportation. And the prospect of smaller loss upon the metals than upon commodities, when the difference is very minute, will be frequently overbalanced by the possibility of doing better with the latter, from a rise of markets. It is, at any rate, certain, that it can be of no consequence in this view, whether the superiority of coin to bullion in the market, be produced, as in England, by the delay of the mint, or by a formal discrimination in the regulated values.

Under an impression that a small difference between the value of the coin and the mint price of bullion, is the least exceptionable expedient for restraining the melting down, or exportation of the former, and not perceiving that, if it be a very moderate one, it can be hurtful in other respects, the Secretary is inclined to an experiment of one half per cent. on each of the metals. The fact which has been mentioned, with regard to the price of gold bullion in the English market, seems to demonstrate that such a difference may safely be made. In this case, there must be immediate payment for the gold and silver offered to the mint. How far one half per cent. will go towards defraying the expense of the coinage, cannot be determined beforehand with accuracy. It is presumed that, on an economical plan, it will suffice in relation to gold. But it is not expected that the same rate on silver will be sufficient to defray the expense attending that metal. Some additional provision may, therefore, be found necessary, if this limit be adopted.

It does not seem to be advisable to make any greater difference in regard to silver than to gold; because it is desirable that the proportion between the two metals in the market, should correspond with that in the coins, which would not be the case if the mint price of one was comparatively lower than that of the other; and because, also, silver being proposed to be rated in respect to gold, somewhat below its general commercial value, if there should be a disparity to its disadvantage in the mint prices of the two metals, it would obstruct too much the bringing of it to be coined, and would add an inducement to export it. Nor does it appear to the Secretary safe to make a greater difference between the value of coin and bullion, than has been mentioned. It will be better to have to increase it, hereafter, if this shall be found expedient, than to have to recede from too considerable a difference, in consequence of evils which shall have been experienced.

It is sometimes mentioned, as an expedient, which, consistently with a free coinage, may serve to prevent the evils desired to be avoided, to incorporate in the coins a greater proportion of alloy than is usual; regulating their

value, nevertheless, according to the quantity of pure metal they contain. This, it is supposed, by adding to the difficulty of refining them, would cause bullion to be preferred, both for manufacture and exportation.

But strong objections lie against this scheme—an augmentation of expense; an actual depreciation of the coin; a danger of still greater depreciation in the public opinion; the facilitating of counterfeits; while it is questionable whether it would have the effect expected from it.

The alloy being esteemed of no value, an increase of it is evidently an increase of expense. This, in relation to the gold coins, particularly, is a matter of moment. It has been noted, that the alloy in them consists partly of silver. If, to avoid expense, the addition should be of copper only, this would spoil the appearance of the coin, and give it a base countenance. Its beauty would indeed be injured, though in a less degree, even if the usual proportions of silver and copper should be maintained in the increased quantity of alloy.

And, however inconsiderable an additional expenditure of copper in the coining of a year may be deemed, in a series of years it would become of consequence. In regulations which contemplate the lapse and operation of ages, a very small item of expense acquires importance.

The actual depreciation of the coin by an increase of alloy, results from the very circumstance which is the motive to it—the greater difficulty of refining. In England, it is customary for those concerned in manufactures of gold, to make a deduction in the price of four-pence sterling per ounce, of fine gold, for every carat which the mass containing it, is below the legal standard. Taking this as a rule, an inferiority of a single carat, or one twenty-fourth part in the gold coins of the United States, compared with the English standard, would cause the same quantity of pure gold in them to be worth nearly four-tenths per cent. less than in the coins of Great Britain. This circumstance would be likely, in process of time, to be felt in the market of the United States.

A still greater depreciation, in the public opinion, would be to be apprehended from the apparent debasement of the coin. The effects of imagination and prejudice cannot safely be disregarded in any thing that relates to money. If the beauty of the coin be impaired, it may be found difficult to satisfy the generality of the community, that what appears worst is not really less valuable; and it is not altogether certain, that an impression of its being so, may not occasion an unnatural augmentation of prices.

Greater danger of imposition, by counterfeits, is also to be apprehended from the injury which will be done to the appearance of the coin. It is a just observation, that “the perfection of the coins is a great safeguard against counterfeits.” And it is evident that the color, as well as the excellence of the workmanship, is an ingredient in that perfection. The intermixture of too much alloy, particularly of copper, in the gold coins at least, must materially lessen the facility of distinguishing, by the eye, the purer from the baser kind—the genuine from the counterfeit.

The inefficacy of the arrangement to the purpose intended to be answered by it, is rendered probable by different considerations. If the standard of plate in the United States should be regulated according to that of the national coins, it is to be expected that the goldsmith would prefer these to the foreign coins, because he would find them prepared to his hand, in the state which he desires; whereas he would have to expend an additional quantity of alloy to bring the foreign coins to that state. If the standard of plate, by law or usage, should be superior to that of the national coins, there would be a possibility of the foreign coins bearing a higher price in the market; and this would not only obstruct their being brought to the mint, but might occasion the exportation of the national coin in preference. It is not understood, that the practice of making an abatement of price for the inferiority of standard, is applicable to the English mint; and if it be not, this would also contribute to frustrating the expected effect from the increase of alloy. For, in this case, a given quantity of pure metal, in our standard, would be worth as much there, as in bullion of the English, or any other standard.

Considering, therefore, the uncertainty of the success of the expedient, and the inconveniences which seem incident to it, it would appear preferable to submit to those of a free coinage. It is observable, that additional expense, which is one of the principal of these, is also applicable to the proposed remedy.

It is now proper to resume and finish the answer to the first question, in order to which the three succeeding ones have necessarily been anticipated. The conclusion to be drawn from the observations which have been made on the subject, is this: That the unit, in the coins of the United States, ought to correspond with 24 grains and $\frac{1}{4}$ of a grain of pure gold, and with 371 grains and $\frac{1}{4}$ of a grain of pure silver, each answering to a dollar in the money of account. The former is exactly agreeable to the present value of gold, and the latter is within a small fraction of the mean of the two last emissions of dollars—the only ones which are now found in common circulation, and of which the newest is in the greatest abundance. The alloy in each case to be one-twelfth of the total weight, which will make the unit 27 grains of standard gold, and 405 grains of standard silver.

Each of these, it has been remarked, will answer to a dollar in the money of account. It is conceived that nothing better can be done in relation to this, than to pursue the track marked out by the resolution of the 8th August, 1786. This has been approved abroad, as well as at home, and it is certain that nothing can be more simple and convenient than the decimal sub-divisions. There is every reason to expect that the method will speedily grow into general use, when it shall be seconded by corresponding coins. On this plan, the unit in the money of account will continue to be, as established by that resolution, a dollar; and its multiples, dimes, cents, and mills, or tenths, hundredths, and thousandths.

With regard to the number of different pieces which shall compose the coins of the United States, two things are to be consulted—convenience of circulation, and cheapness of the coinage. The first ought not to be sacrificed to the last; but as far as they can be reconciled to each other, it is desirable to do it. Numerous and small (if not too minute) sub-divisions assist circulation; but the multiplication of the smaller kinds increases expense; the same process being necessary to a small as to a large piece.

As it is easy to add, it will be most advisable to begin with a small number, till experience shall decide whether any other kinds are necessary. The following, it is conceived, will be sufficient in the commencement:

One gold piece, equal in weight and value to ten units, or dollars.

One gold piece, equal to a tenth part of the former, and which shall be a unit or dollar.

One silver piece, which shall also be a unit or dollar;

One silver piece, which shall be, in weight and value, a tenth part of the silver unit or dollar.

One copper piece, which shall be of the value of a hundredth part of a dollar.

One other copper piece, which shall be half the value of the former.

It is not proposed that the lightest piece of the two gold coins should be numerous, as, in large payments, the larger the pieces, the shorter the process of counting, the less risk of mistake, and, consequently, the greater the safety and the convenience; and, in small payments, it is not perceived that any inconvenience can accrue from an entire dependence on the silver and copper coins. The chief inducement to the establishment of the small gold piece, is to have a sensible object in that metal, as well as in silver, to express the unit. Fifty thousand at a time in circulation, may suffice for this purpose.

The tenth part of a dollar is but a small piece, and, with the aid of the copper coins, will probably suffice for all the more minute uses of circulation. It is less than the least of the silver coins now in general currency in England.

The largest copper piece will nearly answer to the halfpenny sterling, and the smallest, of course, to the farthing. Pieces of very small value, are a great accommodation, and the means of a beneficial economy to the poor, by enabling them to purchase, in small portions, and at a more reasonable rate, the necessaries of which they stand in need. If there are only cents, the lowest price for any portion of a vendible commodity, however inconsiderable in quantity, will be a cent; if there are half cents, it will be a half cent, and, in a great number of cases, exactly the same things will be sold for a half cent, which, if there were none, would cost a cent. But a half cent is low enough for the minimum of price. Excessive minuteness would defeat its object. To enable the poorer classes to procure necessities cheap, is to enable them, with more comfort to themselves, to labor for less; the advantages of which need no comment.

The denominations of the silver coins contained in the resolution of the 8th of August, 1786, are conceived to be significant and proper. The dollar is recommended by its correspondence with the present coin of that name for

which it is designed to be a substitute, which will facilitate its ready adoption as such, in the minds of the citizens. The dime, or tenth; the cent, or hundredth; the mill, or thousandth, are proper, because they express the portions which they are intended to designate. It is only to be regretted, that the meaning of these terms will not be familiar to those who are not acquainted with the language from which they are borrowed. It were to be wished that the length, and, in some degree, the clumsiness of some of the corresponding terms in English, did not discourage from preferring them. It is useful to have names which signify the things to which they belong; and, in respect to objects of general use, in a manner intelligible to all. Perhaps it might be an improvement to let the dollar have the appellation either of dollar, or unit, (which last will be the most significant) and to substitute "tenth" for "dime." In time, the unit may succeed to the dollar. The word cent, being in use in various transactions and instruments, will, without much difficulty, be understood as the hundredth, and the half cent, of course, as the two-hundredth part.

The eagle is not a very expressive or apt appellation for the largest gold piece, but nothing better occurs. The smallest of the two gold coins, may be called the dollar, or unit, in common with the silver piece with which it coincides.

The volume or size of each piece, is a matter of more consequence than its denomination. It is evident, that the more superficies, or surface, the more the piece will be liable to be injured by friction, or, in other words, the faster it will wear. For this reason, it is desirable to render the thickness as great, in proportion to the breadth, as may consist with neatness and good appearance. Hence, the form of the double guinea, or double louis d'or, is preferable to that of the half johannes, for the large gold piece. The small one cannot well be of any other size than the Portuguese piece of eight, of the same metal.

As it is of consequence to fortify the idea of the identity of the dollar, it may be best to let the form and size of the new one, as far as the quantity of matter (the alloy being less) permits, agree with the form and size of the present. The diameter may be the same.

The tenths may be in a mean between the Spanish $\frac{1}{2}$ and $\frac{1}{4}$ of a dollar.

The copper coins may be formed, merely with a view to good appearance, as, any difference in the wearing that can result from difference of form, can be of little consequence in reference to that metal.

It is conceived that the weight of the cent may be eleven pennyweight, which will about correspond with the value of the copper, and the expense of coinage. This will be to conform to the rule of intrinsic value, as far as regard to the convenient size of the coins will permit; and the deduction of the expense of coinage in this case, will be the more proper, as the copper coins, which have been current hitherto, have passed, till lately, for much more than their intrinsic value. Taking the weight, as has been suggested, the size of the cent may be nearly that of the piece herewith transmitted, which weighs 10dwt. 11grs. 10m. Two-thirds of the diameter of the cent will suffice for the diameter of the half cent.

It may, perhaps, be thought expedient, according to general practice, to make the copper coinage an object of profit, but, where this is done to any considerable extent, it is hardly possible to have effectual security against counterfeits. This consideration, concurring with the soundness of the principle of preserving the intrinsic value of the money of a country, seems to outweigh the consideration of profit.

The foregoing suggestions respecting the sizes of the several coins, are made on the supposition that the Legislature may think fit to regulate this matter. Perhaps, however, it may be judged not unadvisable to leave it to Executive discretion.

With regard to the proposed size of the cent, it is to be confessed, that it is rather greater than might be wished, if it could, with propriety and safety, be made less; and should the value of copper continue to decline, as it has done for some time past, it is very questionable whether it will long remain alone a fit metal for money. This has led to a consideration of the expediency of uniting a small proportion of silver with the copper, in order to be able to lessen the bulk of the inferior coins. For this, there are precedents in several parts of Europe. In France, the composition which is called billon, has consisted of one part silver and four parts copper; according to which proportion, a cent might contain seventeen grains, defraying out of the material the expense of coinage. The convenience of size is a recommendation of such a species of coin, but the Secretary is deterred from proposing it, by the apprehension of counterfeits. The effect of so small a quantity of silver, in, comparatively, so large a quantity of copper, could easily be imitated, by a mixture of other metals of little value, and the temptation to doing it would not be inconsiderable.

The devices of the coins are far from being matters of indifference, as they may be made the vehicles of useful impressions. They ought, therefore, to be emblematical, but without losing sight of simplicity. The fewer sharp points and angles there are, the less will be the loss by wearing. The Secretary thinks it best, on this head, to confine himself to these concise and general remarks.

The last point to be discussed, respects the currency of foreign coins.

The abolition of this, in proper season, is a necessary part of the system contemplated for the national coinage. But this it will be expedient to defer, till some considerable progress has been made in preparing substitutes for them. A gradation may, therefore, be found most convenient.

The foreign coins may be suffered to circulate, precisely upon their present footing, for one year after the mint shall have commenced its operations. The privilege may then be continued for another year, to the gold coins of Portugal, England, and France, and to the silver coins of Spain. And these may still be permitted to be current for one year more, at the rates allowed to be given for them at the mint; after the expiration of which, the circulation of all foreign coins to cease.

The moneys which will be paid into the treasury during the first year, being re-coined, before they are issued anew, will afford a partial substitute, before any interruption is given to the pre-existing supplies of circulation. The revenues of the succeeding year, and the coins which will be brought to the mint in consequence of the discontinuance of their currency, will materially extend the substitute in the course of that year, and its extension will be so far increased during the third year, by the facility of procuring the remaining species to be re-coined, which will arise from the diminution of their current values, as probably to enable the dispensing wholly with the circulation of the foreign coins, after that period. The progress which the currency of bank bills will be likely to have made, during the same time, will, also, afford a substitute of another kind.

This arrangement, besides avoiding a sudden stagnation of circulation, will cause a considerable proportion of whatever loss may be incident to the establishment, in the first instance, to fall, as it ought to do, upon the Government, and will, probably, tend to distribute the remainder of it, more equally, among the community.

It may, nevertheless, be advisable, in addition to the precautions here suggested, to repose a discretionary authority in the President of the United States, to continue the currency of the Spanish dollar, at a value corresponding with the quantity of fine silver contained in it, beyond the period abovementioned, for the cessation of the circulation of the foreign coins. It is possible, that an exception, in favor of this particular species of coin, may be found expedient, and it may tend to obviate inconveniences, if there be a power to make the exception, in a capacity to be exerted, when the period shall arrive.

The Secretary for the Department of State, in his report to the House of Representatives, on the subject of establishing a uniformity in the weights, measures, and coins, of the United States, has proposed that the weight of the dollar should correspond with the unit of weight. This was done on the supposition that it would require but a very small addition to the quantity of metal which the dollar, independently of the object he had in view, ought to contain, in which he was guided by the resolution of the 8th of August, 1786, fixing the dollar at 375 grains and 64 hundredths of a grain.

Taking this as the proper standard of the dollar, a small alteration, for the sake of incorporating so systematic an idea, would appear desirable. But, if the principles which have been reasoned from, in this report, are just, the execution of that idea becomes more difficult. It would, certainly, not be advisable to make, on that account, so considerable a change in the money unit, as would be produced by the addition of five grains of silver to the proper weight of the dollar, without a proportional augmentation of its relative value, and, to make such an augmentation,

would be to abandon the advantage of preserving the identity of the dollar, or, to speak more accurately, of having the proposed one received and considered, as a mere substitute for the present.

The end may, however, be obtained, without either of those inconveniences, by increasing the proportion of alloy in the silver coins. But this would destroy the uniformity, in that respect, between the gold and silver coins. It remains, therefore, to elect which of the two systematic ideas shall be pursued or relinquished; and it may be remarked, that it will be more easy to convert the present silver coins into the proposed ones, if these last have the same, or nearly the same proportion of alloy, than if they have less.

The organization of the mint yet remains to be considered.

This relates to the persons to be employed, and to the services which they are respectively to perform. It is conceived that there ought to be:

A director of the mint, to have the general superintendence of the business.

An assay master, or assayer, to receive the metals brought to the mint, ascertain their fineness, and deliver them to be coined.

A master coiner, to conduct the making of the coins.

A cashier, to receive and pay them out.

An auditor, to keep and adjust the accounts of the mint.

Clerks, as many as the director of the mint shall deem necessary, to assist the different officers.

Workmen, as many as may be found requisite.

A porter.

In several of the European mints, there are various other officers, but the foregoing are those, only, who appear to be indispensable. Persons in the capacity of clerks, will suffice instead of the others, with the advantage of greater economy.

The number of workmen is left indefinite, because, at certain times, it is requisite to have more than at others. They will, however, never be numerous. The expense of the establishment in an ordinary year, will, probably, be from fifteen to twenty thousand dollars.

The remedy for errors in the weight and alloy of the coins, must necessarily form a part in the system of a mint; and the manner of applying it will require to be regulated. The following account is given of the practice in England, in this particular:

A certain number of pieces are taken promiscuously out of every fifteen pounds of gold coined at the mint, which are deposited, for safe keeping, in a strong box, called the pix. This box, from time to time, is opened in the presence of the lord chancellor, the officers of the treasury, and others, and portions are selected from the pieces of each coinage, which are melted together, and the mass assayed by a jury of the company of goldsmiths. If the imperfection and deficiency, both in fineness and weight, fall short of a sixth of a carat, or 40 grains of pure gold, upon a pound of standard, the master of the mint is held excusable, because, it is supposed, that no workman can reasonably be answerable for greater exactness. The expediency of some similar regulation seems to be manifest.

All which is humbly submitted.

ALEXANDER HAMILTON, *Secretary of the Treasury.*

[THE FOLLOWING PAPERS WERE NOT COMMUNICATED BY MR. HAMILTON:]

PROPOSITIONS RESPECTING THE COINAGE OF GOLD, SILVER, AND COPPER.

FIRST. The value of silver compared with gold;

SECOND. The weight or size of the several pieces of money that are to be made;

THIRD. The money arithmetic, or the mode in which it is to be counted; and

FOURTH. The charges of coinage; are to be considered.

1. In France, one grain of pure gold is counted worth fifteen grains of silver; in Spain, sixteen grains of silver are exchanged for one of gold; and, in England, fifteen and one-fifth. In both of the kingdoms last mentioned, gold is the prevailing money, because silver is undervalued. In France, silver prevails. Sundry advantages would arise to us from a system by which silver might become the prevailing money. This would operate as a bounty, to draw it from our neighbors, by whom it is not sufficiently esteemed. Silver is not exported so easily as gold, and it is a more useful metal.

Certainly our exchange should not be more than fifteen grains of silver for one of gold. It has been alleged, by the late financier, that we should not give more than fourteen and a half. Perhaps fourteen and three-quarters would be a better medium, considering the quantity of gold that may be expected from Portugal.

2. The weight, size, or value, of the several pieces of money that shall be made, or rather the most convenient value of the money unit, is a question not easily determined, considering that most of the citizens of the United States are accustomed to count in pounds shillings and pence, and that those sums are of different values in the different States—hence they convey no distinct ideas. The money of the United States should be equally fitted to all. The late financier has proposed to make gold and silver pieces of particular weight, and there is a very simple process by which the imaginary money of the several States may be translated into such pieces, or *vice versa*. He proposes that the money unit be one-quarter of a grain of pure silver; that the smallest coin be of copper, which shall be worth five of those units; the smallest silver coin to be worth one hundred units; another to be worth five hundred; another of one thousand; and thus increasing decimals.

The objections to this plan are, that it introduces a coin unlike in value to any thing now in use; it departs from the national mode of keeping accounts, and tends to preserve inconvenient prejudices; whence it must prevent national uniformity in accounts, a thing greatly to be desired.

Another plan has been offered, which proposes that the money unit be one dollar, and the smallest coin is to be of copper, of which two hundred shall pass for one dollar. This plan also proposes that the several pieces shall increase in a decimal ratio, and that all accounts be kept in decimals, which is certainly by much the most short and simple mode.

In favor of this plan, it is urged, that a dollar, the proposed unit, has long been in general use—its value is familiar. This accords with the national mode of keeping accounts, and may, in time, produce the happy effect of uniformity in counting money throughout the Union.

3. The money arithmetic, though an important question, is one that can admit of little dispute. All accountants must prefer decimals.

4. What is the best mode of defraying the expense of coinage? Different nations have adopted different systems. The British value their silver, when coined, no higher than bullion; hence it follows, that the expense of the mint, increasing the civil list, must be paid by a general tax; and tradesmen are disposed to work up the current coin, by which the tax is increased and continued. In some other countries, silver or gold, when coined, are valued above the price of bullion; whence tradesmen are discouraged from melting or working up the current coin, and the mint is rather profitable than burthensome. Certainly there are good and conclusive reasons why we should value the national coin above the price of bullion; but there is a certain point beyond which we may not proceed, lest we encourage counterfeits or private imitations of our coin. It has been proposed to make a difference of two and a half per cent. nearly, as an allowance for the coinage of gold, and of 3.013 per cent. for the coinage of silver. It is probable that three per cent. would more than defray the expense of coining silver; in which case, it would be a temptation to private imitation, and would operate against the free circulation of the money, as being valued too high. It is to be remembered that silver coin ought to be encouraged, and, probably, two per cent. or two and a

quarter per cent. would be a proper difference between silver, coined, and bullion. The same difference to be made in the price of gold. If this does not fully pay the expenses of the mint, there will be a much larger gain on the coinage of copper; and, if there should remain a small balance against the mint, its operation will not be unfavorable.

The coinage of copper is a subject that claims our immediate attention. From the small value of the several pieces of copper coin, this medium of exchange has been too much neglected. The more valuable metals are daily giving place to base British half-pence, and no means are used to prevent the fraud. This disease, which is neglected in the beginning, because it appears trifling, may finally prove very destructive to commerce. It is admitted that copper may, at this instant, be purchased in America at one-eighth of a dollar the pound.

British half-pence, made at the tower, are forty-eight to the pound. Those manufactured at Birmingham, and shipped in thousands for our use, are much lighter, and they are of base metal. It can hardly be said that seventy-two of them are worth a pound of copper; hence it will follow, that we give for British half-pence about six times their value. There are no materials from which we can estimate the weight of half-pence, that have been imported from Britain since the late war; but we have heard of sundry shipments being ordered, to the nominal amount of one thousand guineas; and we are told that no packet arrives from England without some hundred weight of base half-pence. It is a very moderate computation which states our loss, on the last twelve months, at 30,000 dollars, by the commerce of vile coin. The whole expense of a mint would not have amounted to half of that sum, and the whole expense of domestic coinage would remain in the country.

The following forms of money are submitted:

1 piece of gold, of	5 dollars.
1 piece of silver, of	1 dollar, containing 362 grains pure silver. This is the unit, or money of account.
1 do. do.	$\frac{1}{2}$, or .5
1 do. do.	$\frac{1}{4}$, or .25
1 do. do.	$\frac{1}{10}$, or .1
1 do. do.	$\frac{1}{50}$, or .05
1 do. of copper, of	$\frac{1}{100}$, or .01
1 do. do.	$\frac{1}{200}$, or .005

The quantity of pure silver being fixed that is to be in the unit or dollar, and the relation between silver and gold being fixed, all the other weights must follow.

When it is considered that the Spaniards have been reducing the weight of their dollars, and that, instead of 385.5, the grains of pure silver in the old Mexican dollar, the new dollars have not more than 365 grains, it will hardly be thought that 362 grains of pure silver is too little for the federal coin, which is to be current in all payments for one dollar. Some of the old dollars will admit of a second coinage, but the new ones will not. If the value of gold, compared to that of silver, be fixed at fifteen to one, and the alloy in each be one-twelfth, the weight of the several denominations will be readily determined.

The price of bullion is immediately determined by the per centage that is charged towards the expenses of the mint.

If the United States determine to adhere to the dollar as their money of account, and to simplify accounts by the use of decimals, there is nothing to prevent the immediate commencement of a coinage of copper.

Let the copper pieces, of which one hundred are to pass for a dollar, contain, each, one hundred and thirty-one grains of pure copper, or forty-four of them weigh one pound. In this case, our copper coin, when compared with the money of account, will be six per cent. better than that of Great Britain. There will remain a sufficient profit on the coinage.

Copper of the best quality, in plates, may be purchased in Europe at $10\frac{1}{2}d.$ sterling. In cutting blanks, there will be a waste of twenty-two per cent. Those clippings are worth $7\frac{1}{2}d.$ per pound; thence the blanks will cost $11\frac{1}{2}d.$ nearly—it may be stated at 1s. 9d. New York money, per pound, exclusive of the expense of cutting them, which is not great, as one man can readily cut one hundred weight in a day.

The operation, improperly called milling, by which the sharp edges are worn off from the coppers, is not more expensive than cutting the blanks.

In the process of coining copper, eight artists or laborers may be required: One engraver, one laborer, for the blank press; one smith, five laborers, for the coining press.

By these people, one hundred weight of copper may readily be coined every day, or the value of forty-four dollars. Deducting the necessary expenses, there may be saved thirty per cent.

OFFICE OF FINANCE, January 15, 1782.

SIR:

Finding, by the act of the United States, in Congress, of the seventh instant, that I am instructed to prepare and report a table of rates at which the different species of foreign coins, most likely to circulate within the United States, shall be received at the treasury, I have been induced again to turn my attention to an object which has employed my thoughts very frequently, and which would have been long since submitted to Congress, had I not been prevented by other business, and much delayed by those things relating to this business, which depended upon others.

I shall now pray leave to deliver my sentiments somewhat at large on this subject.

The United States labor under many inconveniences, and even disadvantages, which may at present be remedied; but which, if suffered to continue, would become incurable, and lead to pernicious consequences. It is very fortunate for us, that the weights and measures used throughout America, are the same. Experience has shewn in other countries, that the efforts of the legislator to change weights and measures, although fully seconded by the more enlightened part of the community, have been so strongly opposed by the popular habits and prejudices, that ages have elapsed without producing the desired effect. I repeat, therefore, that it is happy for us to have throughout the Union, the same ideas of a mile and an inch, a hogshead and a quart, a pound and an ounce. So far our commercial dealings are simplified, and brought down to the level of every capacity. With respect to our money, the case is very widely different. The ideas annexed to a pound, a shilling, and a penny, are almost as various as the States themselves. Calculations are, therefore, as necessary for our inland commerce, as upon foreign exchanges, and the comonest things become intricate where money has any thing to do with them. A farmer in New Hampshire, for instance, can readily form an idea of a bushel of wheat in South Carolina, weighing sixty pounds, and placed at one hundred miles from Charleston; but if he were told that, in such situation, it is worth twenty-one shillings and eight pence, he would be obliged to make many inquiries, and form some calculations, before he could know that this sum meant, in general, what he would call four shillings; and even then, he would have to inquire what kind of coin that four shillings was paid in, before he could estimate it in his own mind, according to the ideas of money which he had imbibed. Difficulties of this sort do not occur to farmers alone; they are perplexing to most men, and troublesome to all. It is, however, a fortunate circumstance, that money is so much in the power of the sovereign, as that he can easily lead the people into new ideas of it; and, even if that were not the case, yet the loose state in which our currency has been for some years past, has opened the way for receiving any impressions on that subject. As we are now shaking off the inconveniences of a depreciating medium, the present moment seems to be that, in which a general currency can best be established, so as that in a few months the same names of money will mean the same things, in the several parts of the United States. Another inconvenience, which admits of the same easy remedy, and which would indeed be cured by the very same act, is the want of a legal tender. This is as necessary for the purposes of jurisprudence, as a general currency is, for those of commerce; for, although there is great improvidence, not to say injustice, in compelling a man to receive a part of his debt in discharge of the whole, yet it is both just and proper that the law should protect the honest debtor, who is willing to pay, against the vexatious suits of an op-

M. Moulton's

AMERICAN STATE PAPERS.

DOCUMENTS,

LEGISLATIVE AND EXECUTIVE,

OF THE

CONGRESS OF THE UNITED STATES,

FROM THE FIRST SESSION OF THE FIRST TO THE THIRD SESSION OF THE
THIRTEENTH CONGRESS, INCLUSIVE:

COMMENCING MARCH 3, 1789, AND ENDING MARCH 3, 1815.

SELECTED AND EDITED, UNDER THE AUTHORITY OF CONGRESS,

BY WALTER LOWRIE, *Secretary of the Senate,*

AND

MATTHEW ST. CLAIR CLARKE, *Clerk of the House of Representatives.*

VOLUME V.

WASHINGTON:

PUBLISHED BY GALES AND SEATON.

1832.

#3

Obr: Upper bowend points to center of E in GEORGIVS

D.P. McBride
(now 82yrs)

Rev: Same as Rev of #1

D. P. McBride

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

June 16, 1989

Ernest J. Montgomery, M.D.
1216 Minnesota Ave.
Natrona Heights, PA 15065

Dear Doctor Montgomery:

Your letter to me of June 8, 1989 in connection with my article on the 1785 counterfeit half pence was relayed to me by the Society. When it arrived, it did not have the pressing in it. Perhaps it was not enclosed but in any event, that did no harm as I would very much like to see the original piece for study if you will mail it to me at the above address.

Ken Bressett just wrote me that he is planning to make more detailed listings of counterfeit British half pence in the next issue of *The Red Book* and we are working on that matter.

I will be at the A.N.A. in Pittsburgh and hope that we can meet there.

As far as the definition of "evasion" is concerned, I use that item to mean only those coppers which have legends which are different than the standard legends, as you could surmise. I am following the British custom of referring to them in that way as used in the Bernard article in 1926.

Thank you for writing and being so interested in this delightful subject.

Sincerely,

Eric P. Newman

EPN:bv



**Mercantile
Money Museum**

Mercantile Tower
Seventh & Washington
St. Louis, Mo. 63101
314-421-1819

June 19, 1989

David P. McBride
P.O. Box 643
Frisco, CO 80443

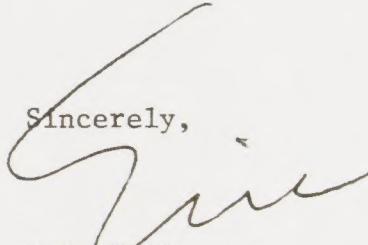
Dear David:

In 1983 you were kind enough to have a 1785 counterfeit halfpence come my way. I have just had published an article on the subject and enclose a copy for you. I hope you will enjoy it as much as I have enjoyed reading your writings.

I was glad to talk to you and to learn of your continued interest in unusual things. Certainly blacksmith tokens are as mysterious in origin as one can find. If you would permit me to examine your genuine and counterfeit English and Irish halfpence that would be a treat for me.

Come to see my museum any time so we can meet.

Sincerely,


Eric P. Newman

Kenneth Bressett
P. O. Box 60145
Colorado Springs
Colorado 80960

June 22, 1989

Mr. Eric P. Newman
Merchantile Money Museum
Seventh & Washington
St. Louis, MO 63101

Dear Eric,

Thanks for your speedy reply to my letter. I appreciate all of your comments on the Tory coppers, and will be guided by your thinking on the subject. When I get around to putting a suitable piece together, I will be sure to send it to you for consideration and editing. It will not be easy, and for that reason I have put it off for a long time.

I am proud to add the offprint of your article to my library and so pleased with the inscription from you. I guess that after all of the years that we have known each other, I can freely admit to a large case of hero worship, so your kind words made me feel very good.

While looking through my box of English counterfeit halfpence for punch links to your 1785 coins, I found a Machin's Mills piece that I must have missed before. Didn't find any links, but it sure made the effort worthwhile!

Summer came and left this week here in Colorado Springs. I sure hope that it warms up a bit for my favorite holiday next month. What would that be without a cook-out.

Sincerely,



3103 CHATHAM ROAD
ENDWELL, NY 13760
JUNE 22, 1989

DEAR ERIC,

THANKS FOR THE AUTOGRAPHED COPY
OF YOUR ARTICLE FROM THE RECENT
ANS MUSEUM NOTES. ALSO, THANKS
FOR YOUR NICE COMMENTS CONCERNING
MY RESEARCH AND WRITING. I WILL
KEEP THE AUTOGRAPHED ARTICLE AS
A TREASURED KEEPSAKE.

BEST WISHES,

GARY A. TRUDGEN

Gary

AUCTIONS BY BOWERS AND MERENA, INC.

June 26, 1989



BOX 1224
WOLFEBORO, NH 03894
(603) 569-5095
Fax (603) 569-5319

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, MO 63105

Dear Eric:

Thank you very much for the off-print of your recent article on the 1785 counterfeit British style halfpence, and the very kind dedication. I shall treasure this, and give it a place of honor in my library.

Yours truly,

A handwritten signature in black ink, appearing to read "Michael J. Hodder".

Michael J. Hodder

MJH/clo

ERNEST J. MONTGOMERY, M. D.
1216 MINNESOTA AVE.
NATRONA HEIGHTS, PENNSYLVANIA 15065
—
TELEPHONE 412 - 226-1119

June 28, 1989

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, Mo. 63105

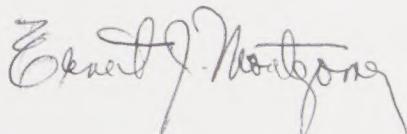
Dear Mr. Newman:

Please find enclosed is the specimen of 1785 counterfiet half pence that I made reference to in my recent correspondence sent to you in care of The American Numismatic Society. Please return it to me after you have had time to examine it along with your comments regarding it.

Perhaps, we can meet at the forthcoming ANA Convention in Pittsburgh.

Cordially,

Ernest J. Montgomery

A handwritten signature in cursive script that reads "Ernest J. Montgomery". The signature is fluid and personal, with "Ernest J." on top and "Montgomery" on the line below, both written in a single continuous flow.

Box 3010
Albany, N.Y. 12203
June 28, 1989

Dear Eric,

Enclosed is a photo of the edge of the Low-l that I wrote to you about recently. You can see the depression and the lines of reeding that have been re-engraved.

Thank you for sending the extra copies of your 1785 article, and thank you for your kind words. It was my pleasure to be able to help out with it. Your work has been an inspiration to me, especially your 1976 article on Bungtown halfpence, which really helped get my interest in the series going.

Yours,

Mike

6.28-89

Dear Eric -

Thank you for the copy of your interesting article on the 1785 ½ d. It certainly re-awakened my dormant interest in these pieces. I hope the one I once gave you helped you in this research in some way.

I am enclosing a copy of a short piece which appeared in Colonial Newsletter about my pure Counterfeit ½ d - the Banana Note. If you would like to examine it some time, please let me know so we can make arrangements. It is the most extraordinary, crude caricature of King George III I have seen on a coin.

There are a few more counterfeit ½ d scattered around here - nothing very exciting really - which you could also see if you so desire!

I'd have to round them up 5 - 10 pieces.
They're really junk. Then I have Blacksmiths -

wood #5 - 1, 2, 4, 5, 6,
7, 10, 11, 12, 13, 14, 16, 18, 23
23 (double struck), 33

I couldn't get the CNC article copied - please see March 1980 seq. page 705, TN-89. I do enclose some photos which I may have sent to you ten years ago - please keep.

Best Wishes —

David McBride

PS. Some reviews of my book are enclosed for you information.

Reviews on THE FEDERAL DUCK STAMPS: A COMPLETE GUIDE by David P. McBride, 1984, Winchester Press, 220 Old New Brunswick Rd, Piscataway, NJ 08854. (\$34.95 ISBN 0-8329-0360-4)

A 1984-1985 Outdoor Life Book Club selection.

Awarded the 1985 Silver medal for excellence in philatelic literature by the American Philatelic Society, the country's largest stamp collector organization.

The American Philatelist- "The author has written an excellent guide for both collectors and non-collectors. The first chapter provides a fascinating history of the Migratory Bird Hunting Stamp Act of 1934, and the environmental and political events that led to its passage. An excellent book, highly recommended."

Game News- "For years to come, wildlife stamp collectors and enthusiasts will consider this the authoritative guide to the Federal Migratory Bird Hunting Stamp program. Every pertinent detail about the artist, his art, and related stamp information is covered."

Minnesota History- "McBride approaches the philatelic aspects of duck stamps with thoroughness; his discussion of stamp production and grading is clearly written and well-illustrated. A useful study, and McBride's enthusiasm warms the subject, without sinking into indulgence."

Roger Tory Peterson, noted ornithologist, bird artist and author of the Peterson Field Guides- "A splendid and fine book about the Federal Duck Stamps which should clue many artists into the strategy for winning this coveted award."

South Carolina Wildlife- "A book that stamp fanciers and avid waterfowlers will want to own."

The Philatelic Journalist- "I highly recommend this informative volume for the new dimension it can add to the collection of Duck Stamps and in the sharing of the Silver Anniversary of this specialized area of philatelic collecting."

Bird Watcher's Digest- "Book is well done with a readable text, an excellent summary of a truly historic series."

Jim Kulp, outdoor writer- "This is the most complete and up-to-date book ever written about the Federal Duck Stamp program. David P. McBride has done a yeoman's job of compiling all the information for this excellent book."

Arizona Wildlife News and New York Outdoor Guide both describe it as, "A monumental book on this subject."

Waterfowler's World- "Includes information not seen elsewhere, the history of the duck stamp contest is generously and thoroughly treated."

Stamps- "The first definitive reference book of the Federal Duck Stamps."

Linn's Stamp News- "The 232 page hardbound book has much information for stamp collectors and non-collectors as well."

Georgetown Today- "The book is an artistic achievement, and moreover is likely to be the definitive source on the duck stamps for years to come."



BANANA NOSE $\frac{1}{2}$ d



EPN NES

July 3, 1989

Dr. Ernest J. Montgomery
1216 Minnesota Ave.
Natrona Heights, PA 15065

Your 1785 counterfeit British halfpence arrived in your letter of June 28, 1989. I thank you for your cooperation. You are certainly correct that it is variety combination 52-1785B. It weighs 7.8 grams. The obverse die was slightly recut, I believe, in that the crossbar of the second G is thicker and wider and the top ribbon end seems to have been reshaped by recutting. The reverse has the die break at the back of the head but the die break on top of the head is only developing. Thus 52 was used with reverse 85A or 85C or both before its combination with 85B. Also 51 was used after 52 in the combination with 85B.

The question is whether this recutting should be included as a sub-variety. What do you think? I'll have the check the others again.

What I would like to do is have a picture of the coin taken at A.N.S. when I go there in mid-July.

Your envelope indicates a Garrett Collection source and if you know the lot number it will save me some time. I will write up the new combination if you have no objection. Do you wish your name mentioned or not?

I enclose an offprint of my article as appreciation of your help.

I'll see you in Pittsburgh where I am giving a little talk at the Numismatic Theatre.

Sincerely,

Eric P. Newman

BOWERS AND MERENA GALLERIES, INC.



July 5, 1989

BOX 1224
WOLFEBORO, NH 03894
(603) 569-5095
Fax line: (603) 569-5319

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, MO 63105

Dear Eric:

Thank you very much for the specially autographed copy of the monograph on the 1785 counterfeit British halfpenny. I read it from cover to cover and found it to be superb. Of course, I expected nothing less! Congratulations on another piece of masterful research.

On another subject, Rick Bagg mentioned to me that he talked with you about the possible sale of certain of your duplicate Proof pieces from the early 19th century. The current market for these is very strong, and I am sure that the deaccession of pieces which are redundant to your collection would bring in funds suitable for other acquisitions or other purposes. In any event if we can help out at this end we would be delighted to do so. We are now planning our autumn auction season. Within the next few weeks we will be assembling material for our November New York City sale.

All good wishes to Evelyn and yourself.

Sincerely,

Q. David Bowers

QDB/mkv

ERNEST J. MONTGOMERY, M. D.
1216 MINNESOTA AVE.
NATRONA HEIGHTS, PENNSYLVANIA 15065
—
TELEPHONE 412 - 226-1119

July 13, 1989

Eric P. Newman Numismatic Society
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Mr. Newman:

Thank you kindly for your comments regarding the 52-1785B counterfeit British halfpence. I have researched my records and can tell you that it was included in Lot #2251 of the Garrett Part 4 sale. I attended that sale and received, among others, lots 2249, 2250, and 2251. None of these lots had the correct attributions referred to in the descriptions except for three specimens. I have always been most curious about the other lots of the Bungtowns in the sale but do not know who the buyer is. I am sorry that I can not pass judgement on the 52-1785B as I have no others. In fact, your article told me what it was. I welcome the offprint of your article and want to thank you very much. Please feel free to use my name regarding the new combination. Have any others been reported?

I have spent considerable time attempting to prepare a display relative to the Bungtowns, somehow I prefer this appellation to others as I think that it is truly American in origin, but 'vibrations' just are not right. Thus I am continuing to add to my Bibliographical list. Can you provide me with more information regarding the article by Bernard in 1926 referring to them as Evasions so that I can obtain a copy

ERNEST J. MONTGOMERY, M. D.
1216 MINNESOTA AVE.
NATRONA HEIGHTS, PENNSYLVANIA 15065
—
TELEPHONE 412 - 226-1119

from the ANS library. Recently I was loaned a copy of THE COIN DOLLECTOR's COMPANION Printed for T. SPENCE, DEALER IN COINS, No. 8, Little Turnstile, High Holborn, 1795. Unfortunately, or probably fortunately, it is not for sale. I am aware of only one other serious collector of the Bungtowns in the US. I have sent several letters regarding the specimens in this collection and have offered to possibly purchase the collection but have been unable to accomplish my goal although I have been able to acquire duplicates from his collection. If you know of others with whom I might correspond please let me know or feel free to pass my name along.

I have today written to Roxanne Greenstein of the ANS offering to help at the table and display on Wednesday late afternoon during the ANA 98th Anniversary Convention in Pittsburgh. Hoping to see you there
I remain

Cordially,
Ernest J. Montgomery
Ernest J. Montgomery

Kenneth Bressett
P. O. Box 60145
Colorado Springs
Colorado 80960

June 13, 1989

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis Missouri 63105

Dear Eric,

Your latest article in Museum Notes is yet another example of your masterful numismatic detective work. Your conclusions are very convincing, and it looks like we now have another coin to add to the Early American section of all text books.

I have been toying with the idea of expanding the Machin's Mills coverage in the Guide Book. We will add extra pages next year and I will have space enough to use at least a full page for the imitations of British halfpence. That means that I can at least mention the 1785 pieces in the proper context as well as clarifying the other minting operations that produced these pieces. One of the problems that I will now face is the 1781, 1784 and 1786 imitations (to say nothing of the curious 1777 V10-77A). I do not like the way Breen handled them in his Encyclopedia; but I do not like the thought of simply calling them "other imitations-British and American made".

I also have a problem with exactly what to call the section in the Guide Book. Machin's Mills will no longer do as a catch all heading. Gary Trudgen wants me to call them Atlee's British Halfpence. Breen calls them "Mould-Atlee" pieces. I still think of them as Bungtowns, but usually call them lightweight imitations of British Halfpence, then distinguish between English and American made pieces. Trudgen believes that he can tell which of the American made pieces were struck in New York City, and which were made in Newburgh. Breen disagrees about some of the varieties. I can't support either view because although Atlee and Walter Mould probably made most of the dies (with the help or tools of Bailey perhaps for some dies), that doesn't mean that they didn't simply supply the dies to others for striking.

Breen and Trudgen disagree on where the 1747 and 1776 small date pieces were made, and whether or not Bailey was actually involved in making some of the pieces in New York City. These points should be resolved before I add too much new information to the Guide Book. Trudgen has written a suggested text based on his opinion, and I will use at least part of that, but will also add a paragraph about the other American and British made pieces; especially the 1785, and perhaps even the 1781 which

seems to me must have also been made for export to America even if some of them did circulate in England. It doesn't seem as if anything with that date could go unnoticed in England even when a few other coppers were just beginning to be made that year. I would have to think that anything as crude and obvious as the 1781 pieces would stand out too much to escape detection. The same is true of the 1777 pieces, and I don't have a clue as to what they are. Few English made pieces are that crude, but they are not bad enough to be Bungtowns, or good enough to be Atlee-Mould pieces.

So there you see my confusion and need for help in sorting this all out for the next edition of the Guide Book (January of next year). Anything that you care to add will be greatly appreciated. Richard August has suggested adding values to the section but I think that is premature because most are about the same price today. I am enclosing all of their material for you to see.

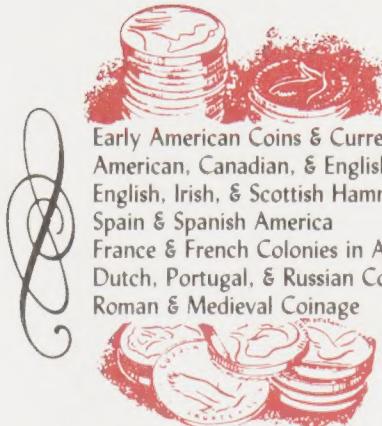
On a different topic. I am working on an article about die preparation in the early U.S. Mint and need to examine specimens of the two different admission pieces made for the Charles Wilson Peal Museum in Philadelphia. These are listed in Ruleau on page 29 and Miller as PA 394-398. Do you have any such pieces or know where I can borrow some for study and photography? I am getting desperate as I just can't seem to find any of either variety. Please let me know even if you do not have any so that I can continue my quest.

On yet another topic. I just learned that Art Kagan had a large amount of coins stolen while at the airport after the recent Long Beach coin show. No details yet, but it will probable be in Coin World soon.

All is well here, but I wish that summer would arrive soon!

Sincerely,





ROBERT A. VLACK
"PROFESSIONAL NUMISMATIST"

18 Mist Hill Drive
Brookfield, Conn. 06804
Tel. (203) 775-2456

July 25, 1989

Mr. Eric P. Newman
EDISON BROTHERS STORES, INC.
501 North Broadway
St. Louis, Mo. 63102

Dear Eric,

Thank you so much for sending me the copy of your article on the 1785 English Halfpence. Since I am a member of the A.N.S. I read your article when I received my Museum Notes.

My comments on the subject are with some mixed feelings since you referred these as for American use whereas I feel it was not for American use but for New York specifically. Other States were granted the right to coinage, but, New York turned down this effort in favor of regulating ~~English~~ English Halfpence. The 1785 dated fits in very well with this since Vermont, & Connecticut started in that year with New Jersey following in 1786 and Massachusetts in 1787. The English, eager to get a foothold in the door jumped on the opportunity to regulate New York, probably hopeful to cover the rest of the New Colonies as well. Anyhow, that's pretty much as I see it for whatever that is worth.

I did enjoy your article very much even though it is based upon strongly convincing circumstantial evidence. I just wonder what the 1781 issue was all about. I just have a sneaky feeling it has something to do with Canada, but, I am not sure where to find similar arguments that you presented.

Not much is new with me. I am basically over my illness until something else happens. I am still working on the French Colonies in America and I wish I could concentrate on it long enough to finish it. The photography is just about finished and all I have to do is wrap it up.

Well, I trust all else is well with you and I shall look forward to seeing you in Pittsburgh if you decide to go.

Very sincerely,

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

August 1, 1989

Mr. Robert A. Vlack
18 Mist Hill Drive
Brookfield, CT 06804

Dear Bob:

Thank you for your comment on the ctf 1785 English 1/2d matter.

Your feeling that they were for New York use is understood. However, I cannot state they were for New York use because among other things no importer is known for them or for the Novas. Gouverneur Morris was at work and living in Philadelphia. They were certainly not limited to use in New York as halfpence passed in most states in America. In addition, New York was still considering requests for authorizing coinage franchises until 1787, even though it tried to regulate 1/2d earlier.

As to the 1781 pieces, they carry the same date as some Irish 1/2d and were probably made by the same people who made Irish ctfs of that date. Perhaps the Irish counterfeiters thought that if 1781 1/2d were made for Ireland they certainly were made for England.

See you in Pittsburgh.

Sincerely,

Eric P. Newman

EPN:bv

Donald A. Mituzas

NUMISMATIST

P.O. Box 405

Harrison, New York 10528

81X4881X5028X

914-278-6640

August 2, 1989

Eric P. Newman
6450 Cecil Ave.
St. Louis, MO 63105

Dear Eric,

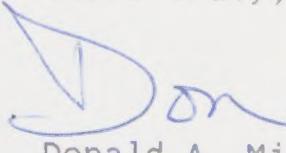
Thank you for writing to request my list of Colonial coins and reference books.

I don't know how much help my list of reference books will be to you as it was geared to the novice collector to help them get started in the Colonial coinage area. The article in Coin World was misleading in that it gave the impression that I had a book on colonials available.

I would like to say how much I enjoyed your recent monograph on counterfeit British style halfpence in the recent Museum Notes. I might also add that your "A Recently Discovered Coin Solves a Vermont Numismatic Enigma" from the 1958 ANS Centennial Publication, is one of the most fascinating pieces ever written on Colonials. Should you ever come upon an extra 1776 Machins V.9-76B, I would certainly be interested in purchasing it.

If you have any questions on any of the coins on my list, please don't hesitate to drop me a note or give me a call.

Yours truly,



Donald A. Mituzas



AmericanNumismatic

A S S O C I A T I O N

Donn Pearlman
P.O. Box 750
Skokie, IL 60076
708/679-5723

September 14, 1989

Mr. Eric P. Newman
7450 Cecil Avenue
St. Louis, Missouri 63105

Dear Eric,

It is with mixed emotions that I write to you. It was delightful to see you again during the ANA convention in Pittsburgh, and I hope you and your family are well. However, I certainly hope the Cardinals will quietly fold and permit the Chicago Cubs to clinch the National League East title. Sure, the Cubs will fall apart during the playoffs, but let the bleacher bums here have a few weeks of joy until October.

My real reason for writing concerns the three feet tall stack of books, magazines, and other assorted periodicals and publications that clutters my nightstand awaiting my attention. There now is one less item on that table: I finally have read your excellent article, Were Counterfeit British Style Halfpence Dated 1785 Made Specifically for American Use?, in the ANS Museum Notes #33.

Congratulations. Lt. Colombo could take lessons from your detective work!

There are so many unanswered questions in the hobby, what a shame some of the energy, time, and money spent on slabs can not be channeled toward solving these numismatic mysteries.

Best wishes,

Donn

Donn Pearlman

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

September 18, 1989

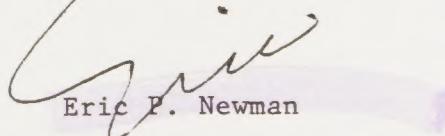
Mr. Donn Pearlman
P. O. Box 750
Skokie, IL 60076

Dear Donn:

I find that the Cubs put the Cardinals in a slab graded 55 (extremely fine) which is now 5 grades or games behind the Cubs. Your ball team's chances have improved as ours have been whizzed, dipped and bagged.

I sincerely appreciate your letter commenting on my 1785 article. I enjoyed writing it but I got a greater charge from the research. But to hear from an ANA Governor is a shock from which I may not recover. I didn't know until now that they could read anything but numbers. The election was a success except for inheritaging Mr. Asperin who ran on a conflict of interest platform.

My best,



A handwritten signature in black ink, appearing to read "Eric". Below the signature, the name "Eric P. Newman" is printed in a smaller, more formal font.

EPN:bv